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THE ROYAL COMMISSION ON METROPOLITAN DEVELOPMENT OF EDMONTON AND CALGARY

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PROCEEDINGS

DATE February 24th, 1955.

VOLUME 35

The Court House
EDMONTON - ALBERTA
SUPREME COURT REPORTERS, EDMONTON

VOLUME 35February 24th, 1955.I N D E X

Exhibit 195E - Dr. Hu Harries questions from previous days 4314

WITNESSES:DR. HU HARRIES

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A. M. ADAMSON

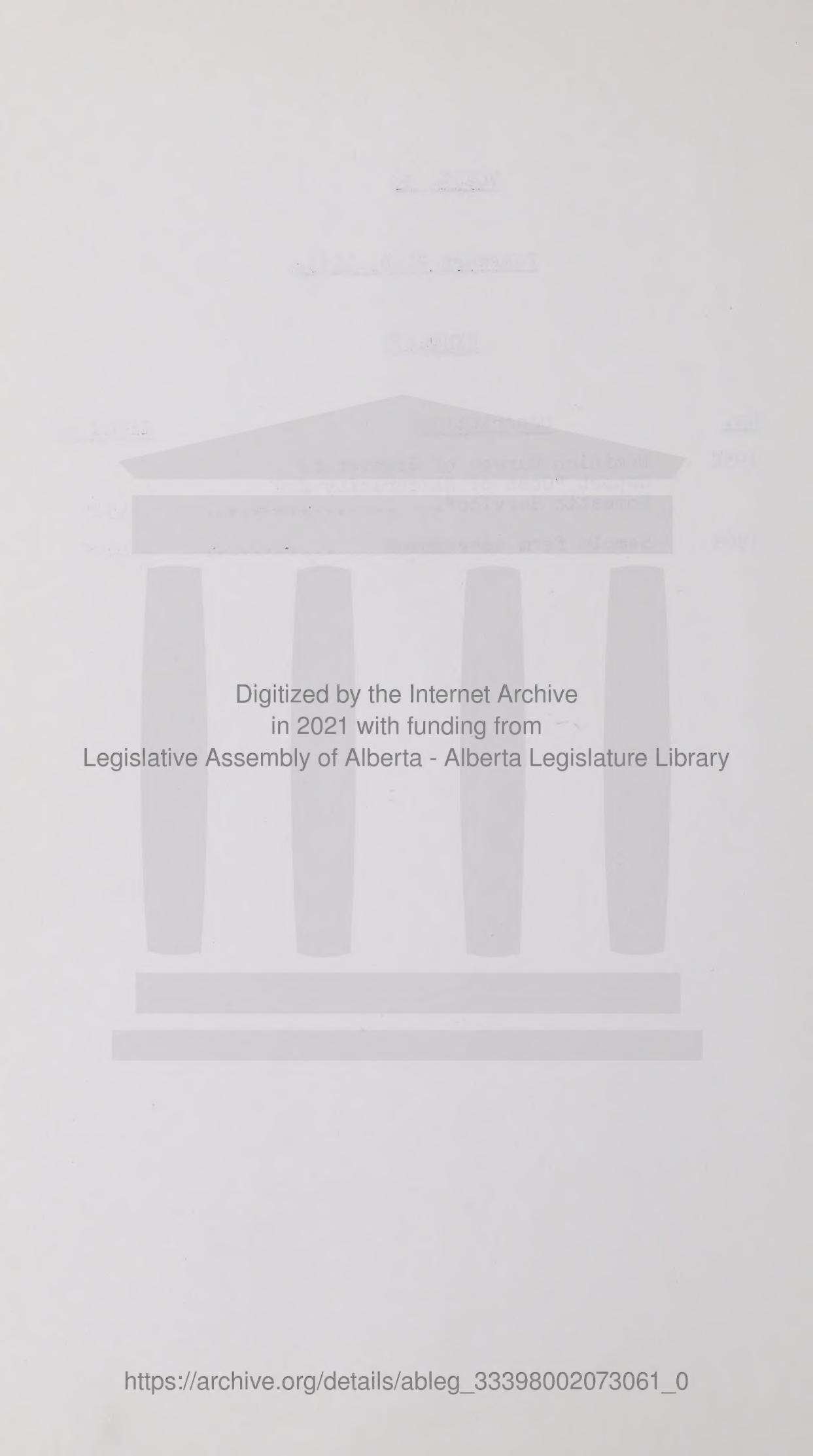
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VOLUME 35

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EXHIBITS

<u>No.</u>	<u>Description</u>	<u>Filed at</u>
195E	Dominion Bureau of Statistics Report "Cost of Electricity for Domestic Service".	4315
196E	Sample farm assessment	4405

A faint, light-grey watermark of the Alberta Legislature building is visible in the background. The building is a neoclassical structure with a prominent portico of four columns and a triangular pediment above. The words "Alberta Legislature" are faintly visible on the building's facade.

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THE SITTINGS OF THE ROYAL
COMMISSION ON METROPOLITAN
DEVELOPMENT OF CALGARY AND
EDMONTON, held at the Court
House, Edmonton, Alberta, on
Thursday, the 24th day of
February, 1955, at 9:45 a.m.

DR. HU HARRIES, recalled on his former oath, testified
as follows:

THE CHAIRMAN: Mr. Moffat, are you ready to proceed?

MR. MOFFAT: Yes, but, Mr. Chairman, before I
begin I have some literature on Commissioner Davies'
favourite subject which I think we might enter as
an exhibit.

MR. DAVIES: Thank you, Mr. Moffat, you do me
a great honour.

MR. MOFFAT: It is a Dominion Bureau of Statistics
Report, "Cost of Electricity for Domestic Service".

MR. DAVIES: We had that filed in Calgary but
we would like to have it here too, Mr. Moffat.

MR. MOFFAT: Oh, you have already had it, have
you? Then I don't know that there is any point in
giving it an exhibit number.

MR. DAVIES: I think that is the same one, is
it, Dr. Mayo?

DR. MAYO: I think so, but we didn't have a
number of copies of it, Mr. Davies.

MR. MOFFAT: Well, there are two more copies
here. If you wish we will give it a number here,
or shall we just make it available?

THE CHAIRMAN: I think if we could refer to the
Calgary number. All right, Mr. Davies would like to
have it numbered here, so that it will be 195 E, will

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THE CHAIRMAN: (Cont'd) it, Mr. McGruther? It is D.B.S. on what?

MR. MOFFAT: "Cost of Electricity for Domestic Service".

THE CHAIRMAN: Thank you. AND THE DOCUMENT NOTED
MARKED EXHIBIT 195E.

MR. MOFFAT: 1953.

MR. DAVIES: This is the cost to the consumer, not the cost to the producer.

MR. MOFFAT: That's right.

MR. DAVIES: Because, as you know, I am interested very much more in the cost of production.

MR. ROBISON: We don't know what the exhibit number was in Calgary, do we?

THE CHAIRMAN: Well, could I look for it, couldn't we be sure? Oh, yes, 91-C "Cost of Electric Service Across Canada D.B.S.".

MR. BLACKSTOCK: 91?

THE CHAIRMAN: 91.

MR. MOFFAT: And then an exhibit was filed a few days ago giving the rates for different cities in western Canada, and Commissioner Davies asked if we could get the information for Winnipeg. I am not sure of the number of that exhibit.

THE CHAIRMAN: It was Mr. Robison asked that, wasn't it?

MR. DAVIES: Actually it was Mr. Robison was asking about Winnipeg.

MR. MOFFAT: In any case, I have the Winnipeg figures here and --

MR. BLACKSTOCK: It is 172.

MR. ROBISON: 172, is it?

MR. MOFFAT: And rather than put this in as an exhibit I might just read it into the record.

THE CHAIRMAN: Yes, very well.

MR. MOFFAT: And anyone can make notations on Exhibit 172.

Domestic service rates for the Winnipeg consumers based upon the City Hydro, and based upon the assumption that it is a family which has an electric stove so that it comes into the combination rate:

20 kilowatt hours	\$. 62.
40 kilowatt hours	\$. 1.23.
50 kilowatt hours	\$. 1.54.
100 kilowatt hours	\$. 2.00.
200 kilowatt hours	\$. 2.93.
400 kilowatt hours	\$. 4.77.

Now, those are the same categories that were on the other exhibit.

MR. HAYES: What was the rate for the 200?

MR. MOFFAT: \$.2.93 for the 200.

MR. BROWNLEE: Excuse me, Mr. Chairman, but I believe that Dr. Harries had a couple of questions he wanted to answer which had been previously asked.

A If I may, sir.

Commissioner Davies asked if we would submit figures indicating industrial works in the Municipal District of Strathcona which are now

Dr. Hu Harries - questions from previous days.

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A (Cont'd) under construction or for which a permit has been issued for construction, and which would not be on the roll in 1955; and also any other projects that we know of that might be considered as possibilities for the area. I would like to say that the following industrial works are now under construction or there has been a permit issued for construction:

The addition to the McColl-Frontenac Refineries on the Northwest of 31.52.23, West of the Fourth for approximately \$4,000,000.00.

The lube plant for Imperial Oil on the Southwest of 6.53.23 West of the Fourth, for approximately \$10,000,000.00.

A steel rolling mill on the Southwest of 31.52.23 West of the Fourth, for a million to a million and a half dollars.

And a small pipe mill on the Northeast of 23.52.24 West of the Fourth, for approximately a million dollars.

And a glass manufacturing company on the South East of 3.55.22 West of the Fourth, for approximately a half a million dollars.

Q MR. MOFFAT: That would be the one at Fort Saskatchewan, is it?

A That's right.

And Inland Chemical at Fort Saskatchewan for approximately half a million dollars.

Making a total of approximately 17½ million dollars.

And then there are two other plants

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A (Cont'd) which are in the discussion stage but for which no permit has been issued; and one of them is the so-called "cement plant" on the North-west of 15.23 -- I am sorry -- 15.53.23 West of the Fourth, and the figure in connection with that plant of \$2,000,000.00 has been discussed. There is little doubt but that that is certainly the highest possible figure you could have for an investment in a facility of that type. Then there is also talk of a paper mill which would amount to \$3,000,000.00.

Then there are two others that I have heard about as possibilities and I have not, frankly, been able to get anything definite on them so that I can only say that there are those two possibilities, and I would hesitate to put probability values on their location at this time, I think they are very definitely in the discussion stage.

Q MR. ROBISON: What type of industries would they be?

A Well, one would be a smelting industry and the other would be a building construction industry, a building products industry, only it is not Building Products.

As a matter of fact, the interesting things about those last two, and once again let me say I have not been able to pin-point anything definite on them, but the interesting thing is that they are both considering locations halfway between Fort

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A (Cont'd) Saskatchewan and the present industrial area.

MR. BLACKSTOCK: Who is the promoter of the paper mill, do you know?

A Building Products, it is not connected with the Edson Mill.

Q MR. BLACKSTOCK: There was another one projected around Beverly.

A That was Sweezey from Montreal, sir; that one, I think it is fair to say has collapsed.

But, as you might suppose,

Mr. Chairman, I was very interested in finding out something about these two indefinite ones that were thinking of going halfway between. We may have some information on those before the Commission rises; if we can get anything we will certainly submit it.

Q MR. ROBISON: Dr. Harries, in view of what was said the other day with regard to the attraction of industries to this area, what has Strathcona done to attract those industries you have named, have they had a campaign on or have they come in on their own initiative?

A No, I think they have come in on their own initiative, sir. If you take two of the big ones, in fact virtually the whole part of that, of those industrial works are industrial works that constitute additions to existing plants; but the Reeve would be able to tell you more precisely about what has been done, I can only speak in the most general terms from my

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A (Cont'd) knowledge which may be imperfect as far as their activities are concerned.

That was one question. Then Mr. Moffat asked me a question concerning an estimate of the probable magnitude of the debt that might be owed by one municipality to another and I gave as my opinion that it would be, that you might consider it in either of two ways: one is the education costs for the children, or; two, as roughly 25% of the per capita cost. Now, and then I went on to suggest that it would be a figure of something in the order of \$100,000.00, and the way I arrived at that figure is this, taking your 25% of your per capita cost as a first indication, that would amount to about \$25.00, the City of Edmonton per capita cost is roughly \$100.00 per person; and in the M.D. we have about 1900, let us say, 2000 children, pardon, people from Edmonton working, and of those people about half are married. Well, if you take with the married ones the figure of 4 to the family, which is about right, if you notice the distribution between children attending school and pre-school aged children, and a wife and a husband, you get something in the order of 4000 in the family groups, and then an additional thousand for unmarried personnel working out there; so that you have a figure of about 5000, which you take at \$25.00 per capita, being their share of the Edmonton cost, so that you would get there a figure of approximately \$125,000.00. Now, you must set off against that a credit for the

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A (Cont'd) approximately 300 people who work in Edmonton but live in the Municipal District of Strathcona so that this as an indication only would I think lead one to the conclusion that \$100,000.00 is not too bad a figure to use.

Then, the second way of looking at it would be to consider the education costs, and specifically, as far as the City of Edmonton is concerned, there are about 750 children attending school whose parents or parent is employed in the Municipal District of Strathcona; and then offsetting that, you have approximately 256 children attending Strathcona schools whose parents work in the City of Edmonton, so that you are left with a figure of approximately 500; and if you take this figure that has been used before of \$200.00 per pupil, once again you end up with a figure of approximately \$100,000.00.

Now, the only thing I would like to say is that that is just a general indication, otherwise it is not, it indicates that we cannot talk of a figure of a million dollars, for example, and on the other hand we cannot talk of a figure of \$25,000.00, something within that range; and the significant thing to me as far as payment is concerned is that we are talking about a cost of the order of \$100,000.00 and we are talking about an industrial area which would produce revenue of \$750,000.00 to \$1,000,000.00, so that cost-revenue considerations are of that magnitude. I do not wish to imply that that is the only thing we are talking

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A (Cont'd) about, but just from that very narrow standpoint I think that those figures are enlightening.

There was one other question that Mr. Commissioner Blackstock asked just at the adjournment on Tuesday, and that question had regard to the, as to whether we saw any real difficulty in arriving at a uniform mill rate even on the basis of the assessment scheme that you have propounded.

Now, the answer to that question, sir, I think I gave, and not very clearly I see from reading the record from the questions that were put by Mr. Moffat; is that I believe there are reasonable grounds for suggesting that there be uniform assessment, but I do not believe that any real purpose would be served by proceeding to the next step, to have a uniform mill rate; and the reason for my thinking that that would be not advantageous is this, that in the first place it would result in fortuitous tax reductions to certain industries now established, reductions which would be made on the basis of a formula and not on the basis of any demonstrated requirement.

Secondly, if the mill rate, if the uniform mill rate was not to discourage industry it would have to be at least no higher than the existing mill rate and assessment combined in the municipal district of Strathcona, if we take that as the most favourable one in the Province. Here

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A (Cont'd) again it would assume that taxes are almost the only factor in location, which is not the case. Now, I refer to the cement plant, the Inland Cement plant, that is going to be located in the Municipal District of Stony Plain. There, as it has been suggested before, there are advantages other than the tax rate which took them to Stony Plain. If there was a uniform assessment and a uniform mill rate at approximately the Strathcona level, the Municipal District of Stony Plain would be in the position of giving them a tax rate of about, let's say, one half of that which they have already indicated they are willing to pay, and indeed ~~are~~ proceeding upon that plan. Now, so that it is questionable whether the application of a uniform mill rate to a uniform assessment for industry would have the effect of diversifying industries except in those instances where the tax rate was the prime consideration in selecting alternative locations; and it can be demonstrated, I believe, that while the tax rate is important to some types of industry under some circumstances, that there are other considerations, and once again I refer to the example of the Inland Cement Company which is a very practical illustration of what we are referring to.

Now, also there is, I believe, some provision made for special tax concessions to a particular industry under rather restricted circumstances and it seems to me that that is a better way of assisting industry because there you

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A (Cont'd) have a demonstrated need and you have the ability to deal with that industry on a short term basis to overcome that or to answer that need or to answer or overcome the deficiency that there may be in connection with the operation of that plant for a few years at least, I think it is up to five years; so that I see no real advantage in trying to equalize tax rates for industry throughout Alberta or, stating it in another way, I see no real advantage in trying to remove tax rates as a factor in industrial location, because it seems to me the logic of that is to go ahead and equalize a lot of other factors which might in particular circumstances be important. For example, the water rates in Calgary are lower than they are in Edmonton. If the tax rates were equalized it is conceivable that for some type of industry the fact that Calgary's water rate was half of Edmonton's might constitute an unfair advantage for Calgary. In the alternative, differences in power rates could constitute an unfair advantage, so that there are a number of rates which are important, taxes are one of them, and if only one of those rates is equalized, there is still an unfairness in the existence of different charges for other services, and in a sense, I think it is true to say, that these unfair advantages which reflect themselves in lower water rates or lower mill rates, or lower power rate, tend to cancel one another out for a particular kind of industry, and that is really the important consideration.

Those are some observations, sir,

Dr. Hu Harries - questions from previous days.
- Mr. Moffat Ex.
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A (Cont'd) which might help to answer the question that you answered.

Q MR. BLACKSTOCK: Thank you very much, Dr. Harries, that is just what I wanted.

MR. MCFAT EXAMINES THE WITNESS:

Q I wonder if I might just ask one question, Mr. Harries, in that same connection, in order to keep the record complete. I wonder if you would make any comment on the way in which this kind of a scheme would interfere with local responsibility of the Council for setting the mill rate and dealing with the needs of their own communities, I think that that should be put in with the discussion that you have given, which is a very fine one.

A Well, of course, to the extent that local Council would be faced with a fixed revenue from industrial assessment of one type or another, it would, it would create problems of equity as between the industry with the fixed tax rate and other taxpayers in the community, and especially it would create problems where you might have special circumstances to meet, such as heavy school costs for ^a/particular year or two, it would create problems of equity as between different taxpayers in the same way as a lagging assessment creates problems as between new buildings and old buildings. Now, that is really to my mind the difficulty with the delayed assessment or assessment that does not keep up with the times. It changes the relative taxes on different types of property, and this would be

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A (Cont'd) precisely the same kind of a thing,

Q MR. ROBISON: Dr. Harries, do I understand you to say, correct me if I am wrong, that you consider it inadvisable for uniform assessments to be done on the types of industry we are thinking about?

A No sir, I suggest that uniform assessments are probably a good thing. They would be desirable. Now, either they can be done by one group of assessors or they can be done from a Manual that directs the type of assessment. I think there are sound reasons for supposing that that kind of an assessment procedure would be good; but I do not go the next step and say that a uniform mill rate should be applied. Otherwise, I would stop at the assessment, sir.

MR. ROBISON: You could not see, for example, the Province itself assessing and applying a uniform mill rate to certain categories of industry (which should be well defined) and distributing the tax dollar?

A No sir, I don't think I could agree with that procedure.

Q MR. ROBISON: You divide it into the assessment, which you agree with, and the taxation, with which you do not agree?

A That is correct, sir. I am afraid that is where my answers were not clear the other morning, but I certainly had that distinction in mind but I didn't get it on the record very clearly.

Those, I believe, sir, are the only questions that were asked that we did not answer.

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Q Mr. MOFFAT: Well, those answers have knocked out two of the questions that I had on my list for cross-examination for this morning, so that it will be that much shorter.

The first one I wanted to raise is in connection with your reference to the situation at Sarnia; at page 3867 of the transcript you made some comment to the effect that the City of Sarnia had asked to annex the industrial area adjacent to it, and that the Ontario Municipal Board had turned that down and had forced them to take the industrial area plus the quasi-urban development as you called it, along with the industrial area.

A Yes.

Q Now, do you mean that you think that was a wise decision by the Ontario Board?

A Well, to this extent I think it was a wise decision, that if there is going to be annexation then what I would call the "municipal assets" if taken, should be accompanied by the "municipal liabilities".

Q Yes?

A And I am not sure that where you have a case in which you cannot get any balances between the two, whether you are justified in annexing except under very special circumstances.

Q Well now -- all right, go ahead.

A And then, if there is annexation under those circumstances, I think there are very strong grounds for some kind of a payment, much as is, similar to the kind that is provided by the Ontario Municipal Board.

Q Now, in relation to the area we are talking about here,

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Q (Cont'd) I suppose what you mean by the assets which might be taken into an annexation would be the industrial area?

A That's right.

Q And what do you mean by the "liabilities", what are the items here that correspond to the areas which the Ontario Board forced Sarnia to take responsibility for?

A Well, they would be the subdivisions that were discussed yesterday plus, yes, just the subdivisions that were discussed yesterday.

Q Did you have in mind the area south of the City where the problem of the gravel hauling in relation to the roads is important?

A Yes, yes.

Q And, well, do you think, and here I am asking you not what the Council thinks but what do you think; do you think it would be advisable then to extend the suggestion in the map, Exhibit 144, by going a couple of miles further south in order to force the City to maintain those roads, and maybe go east another mile or two or three, maybe three miles farther along highway 14 to take in the subdivision sites in that area?

A I think that, to be logical, the City proposal should embody that, yes.

Q And go out a little beyond the Campbellton site and go south a couple of miles to take the roads to the gravel pits?

A That's right, I think to be logical it should, and also

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A (Cont'd) although I am not familiar with the precise location of this development, that to the extent that the Canadian Pacific Railway are going to move their marshalling yards south, and so on, that that should logically be included; but I would like to make it clear, I am suggesting that just from the standpoint of the logic of your proposal, that it should be extended.

Q You are not saying that the thing should be done, but if it should be done, then it should go a little farther, that is the position?

A Yes, to follow the Sarnia example, yes.

Q Do you know about the north side and the west side, are there any similar situations there?

A Well, I am under the impression that there is a similar situation in the Municipal District of Stony Plain.

Q That is the Winterburn area?

A Yes. I am told, and I cannot vouch for this because I don't know, but I am told that there are upwards of a thousand people a day coming into the City from those areas.

Q Well, were you here when Mr. Lewis from Division One of Stony Plain gave his evidence?

A Yes, I was.

Q Was your impression that those were people coming just within from an area within two or three miles of the City or were they coming in terms of Spruce Grove and the Town of Stony Plain which is a considerably farther

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Q (Cont'd) distance?

A I think they extended out considerably past the two or three mile limit.

Q Yes. Well now, the next questions are the two questions which are stroked off my list now, so that I come down to Exhibit 188, and this is your estimate of the budget of Strathcona with the boundaries as they stand and, separately, with the boundaries as they would stand if the enlargement of the City Proposal went into effect. Now, I don't propose to ask you about all those figures because we would spend all day, but I do want to ask you about the very last one in the "expenditures", that "miscellaneous" item. In the Financial Statement of Strathcona, which is Exhibit 177E, the "miscellaneous item" amounts to how much, do you have it handy there? It is \$45,000.00.

A Yes, I have it, it is \$45,282.00.

Q And would you put on the record for the Commission the make-up of that \$45,000.00?

A The make-up would be, Civil Defense \$1,000.00 --

Q Just in round figures would do.

A Civil Defense, \$100.00; discount on current taxes, \$17,000.00; transportation, \$22,000.00; Metropolitan Commission, \$4800.00.

Q Now, taking the two items, the discount on taxes and transportation --

A Yes.

Q Those are both items which would disappear if the enlarged area went into effect, or at least one

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Q (Cont'd) would disappear and the other would be reduced very materially if the enlarged area went into effect, is that correct?

A The transportation would disappear, the discount on taxes would go down.

Q Very substantially?

A Yes, I think it would.

Q So that then instead of showing an estimate of \$40,000.00 under this item, isn't it that the normal situation would be to expect that it would be down to Civil Defense and the discount on taxes for the relatively small assessment that would still remain, is that correct?

A No, it is not correct because, actually in the miscellaneous cost I have included the cost to the Municipality for the Metropolitan Commission.

Q Yes?

A Which we estimate would run about \$25,000.00 and, consequently, we have actually reduced the figure for miscellaneous expenditures from an actual in 1954 of \$45,000.00 to an actual of \$15,000.00.

Q But that would be an unusual expense which nobody would expect to repeat as a regular expenditure of the area, would it?

A I am sure the Municipal District does hope that it is not repeated every year. Of course, that is the thing, Mr. Moffat, about miscellaneous expenditures. There is always something coming up that you don't anticipate, this year it might be the Commission next year it might be something else, you never know,

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A (Cont'd) but on drawing a budget you put that in as a contingency item really.

Q Yes, but you agree I think that the two major items there, the transportation item and the tax discount would be likely to go down substantially?

A Oh, that is correct, sir, there is no doubt about that.

Q Dr. Mayo suggests to me that maybe the Municipality does not hope for a repeat of this sort of thing but that some of the consultants do, and that applies to both sides as far as that is concerned.

A I suppose that is just a matter of opinion.

Q Yes. Now, Exhibit 189, I notice that this exhibit begins with the assessment figure of \$41,637,000.00 which is reduced by the Decisions of Canadian Chemical and C.I.L., is that right?

A Yes.

Q But that would not affect the final result because it would come out of the first two items, is that correct?

A That is as I mentioned that when we put it in, that it is an unnecessary deduction because you take it out of both of them if you start taking it out.

Q Yes, I didn't realize you mentioned it when you put it in.

A Yes.

Q I thought we should be sure and mention it. And, secondly, the \$10,907,000.00 figure which is the estimate of the assessment as it would stand after the new boundary proposal went into effect, that figure would be raised by any new assessment that

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Q (Cont'd) would come into the Fort Saskatchewan area?

A That is correct.

Q In other words, the Sulphuric Acid Plant and the Fiberglas Plant, whenever they came onto the record?

A Yes, or any other plants that came in that general area.

Q Yes, well, that's all I wanted to do on that Exhibit. Now, turning back to your main Brief, Exhibit 155 E, at page 47.

A Yes sir.

Q You have this recommendation about a Greater Edmonton Industrial Commission, and you apparently propose that it should be metropolitan in the sense that the whole area would finance it, I notice you use the word "finance", what about control, how would you work out the control of the Industrial Commission?

A Oh, I think, I think that the type of control that you had with the Edmonton District Planning Commission would work in connection with this activity, that is a Council with members, representation on that Council appointed by the participating municipalities.

Q And why do you think this should be a joint effort between all the municipalities rather than a separate one by each municipality on its own?

A Well, because I was impressed by the fact that what seemed to be one of the basic difficulties of the Edmonton District Planning Commission was their tendency to act as arbiters of industrial policy in the area, and I thought that by putting an Industrial Commission into the area you might possibly, you might

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A (Cont'd) possibly, you might be able to stop that kind of thing in the District Planning Commission, which seemed to me highly desirable. Now, I can get you several references to the thing I am talking about from the Minutes of the Edmonton District Planning Commission which has been filed with this Commission, because I was impressed by that problem on the Commission in reading the Minutes and in discussing it with --

Q Are you talking about situations where, where municipalities in one area would oppose some proposal because it was going to locate an increasing amount of the industry in another area, is that the kind of thing you were concerned with?

A That is correct, I think I might be able to give you the exact quotation or several quotations bearing on that matter.

Now, I have reference to Exhibit 123, and this is not paged consecutively, but I have reference to the Minutes of a Special Meeting held on August 24th, 1954, and there on page 3 Mr. Lambert speaking as, representing the Town of Jasper Place, and speaking on Campbellton said:

"He felt that the approval of the Campbellton Plan with its industrial zone would provide another competitive light industrial area and in this way ultimately aggravate Jasper Place's problem."

So that he, I gather, was against the Campbellton area, not on the basis of whether it was good planning or bad planning but simply because it would result in

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A (Cont'd) another competitive area for Jasper Place; and while I think under present circumstances that is certainly a consideration for the representative to have, I felt that if you could remove from the Edmonton District Planning Commission that problem that you might improve its working.

Q Improve the working of the Planning Commission?

A That is correct.

Q But you would not avoid the problem, would you, you would simply transfer it and have all that kind of wrangling removed from District Planning Commission over into the Commission that was in charge of the industrial development, is that right?

A That's right, you can't remove the problem but it seems to me that the Edmonton District Planning Commission has a very difficult task to perform now and anything that will facilitate that performance is a good thing.

Q Well then, this is primarily, this is primarily a suggestion to help the District Planning Commission rather than a suggestion to help industrial development, is it?

A Well, I think it might well help industrial development, particularly in Jasper Place and Beverly.

Q In what way do you mean that?

A Well, in that it would give them some, give them at least part of a sales force, if we wish to put it that way.

Q Well then, your suggestion is primarily in terms of the District Planning Commission, it is not a suggestion

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Q (Cont'd) tion that this would be a very important improvement as far as the location and attraction of industry is concerned?

A Well, the idea same as a result of considering the planning problem, but I don't think that it must be exclusive to that particular point. I believe that an Industrial Commission could be of a great deal of help in attracting industry to the area, in fact, as I have said before, I think that that has been one of the problems of the City of Edmonton.

Q Well, do you think that the overall Industrial Commission would be more effective than one operated by, say, Strathcona?

A Oh, yes.

Q Why?

A Well, because -- we were talking here about an area maybe one hundred miles each way, it would include Edson and the whole general area. That gives much more scope to a sales force to attract industry because you have a greater variety of opportunities to present to them, and I think it would be a good thing and I think it would be helpful.

Q Were you thinking then in terms of an area much bigger than anything that has been discussed as far as "metropolitan" is concerned, either enlarged boundaries or District Planning, you are thinking of an area -- ?

A Well, District Planning boundaries would be the minimum boundaries I would think, although for a start they might be quite satisfactory.

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Q Well, if you have this problem of, shall we say "jockeying" between the different areas in respect to district planning and in respect to industrial development, and you think it is important to deal with those; would you agree that you have the same kind of thing in respect to the location of new subdivisions or the location of new main highway developments and so on?

A Oh, yes, there is, there is the same.

Q Or the location of --

A Yes.

Q Or the location of industries?

A To the extent that the interests of all of them are not identical then you are going to have what you call "jockeying", yes sir.

Q And that would go to the location of sewer developments and practically all of these newer features of municipal services, I mean "newer" in the sense of services to new areas?

A Well, to the extent you will get the same kind of "jockeying", if you wish to call it that, as you get between members of the City of Edmonton Council when it comes to consider matters that relate to particular areas or the same kind of "jockeying" that you get in a community league as to whether the clubhouse is going to be in the centre or towards the west side or the east side; otherwise, any time you get two people with somewhat different interests and ideas you are going to get "jockeying", yes.

Q Well, if you have that and you have to have a policy

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Q (Cont'd) decision to reconcile the various conflicting interests, should the body that is going to make the policy decision be one which is responsible to the whole area and has to get votes from the whole area or is it better to have it in terms of a group that only has to appeal to voters in one part of the area and another group dealing with voters in another part of the area?

A I don't think it really it makes very much difference. For example, if the Edmonton District Planning Commission area, the area over which they have jurisdiction also was the area over which the City of Edmonton had jurisdiction, that is the City of Edmonton boundaries were out to the edges of the Planning area for the Edmonton District Planning Commission, I don't think you would have any less wrangling than you have today and I don't think you would have any less wrangling in the Edmonton District Planning Commission if the boundaries of the City of Edmonton were shoved out a half a mile each way.

Q Let's go back now, let's repeat that again; are you saying that people, that if the whole area was under one Council that Jasper Place would still be just as anxious to get industry into its area?

A No, I understood we were talking about the problem fo "jockeying" and "wrangling" in the Edmonton District Planning Commission.

Q Yes, well, isn't the difference, I think you suggested that the problem there was primarily because Jasper Place was anxious to get industries within its area

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Q (Cont'd) and didn't want to go, didn't want it to go into the industrial area on the east side; now, if it was all in so that the taxes were collected over the whole area, do you think Jasper Place would still be as concerned with getting industry into its own particular part?

A No, Jasper Place wouldn't but you would have somebody replacing Jasper Place, you would have the M.D. of Stony Plain, for example, or if you moved the boundaries to take, to take a practical example, the Municipal District of Strathcona out three miles from where they are now, you have still got an M.D. of Strathcona, you have still got boundaries. You see, to me that does not solve anything because you still have a difference in interest. To the extent that you liquidate Jasper Place, then you don't have any more problems with them, the problems that you have in the Edmonton District Planning Commission with Jasper Place will be transferred to the City of Edmonton Council, but for planning purposes you don't have them there any more but you still have the M.D. of Stony Plain, for example.

Q Well, do you suppose you would have them as serious and as frequent as you do know?

A I think that they would be much more serious.

Q Why?

A Well, because, take the case of the M.D. of Strathcona, if the M.D. of Strathcona moved its boundaries three miles east, say, I think that the wrangling that would take place on the Commission in connection with develop-

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A (Cont'd) ments outside that boundary or inside that boundary would be just as severe or more severe if not just as severe as they are today.

Q You mean, you said "outside" and then you changed it to "inside", now, which do you mean?

A I am talking about the M.D. of Strathcona, so that we should say inside them.

Q Inside their boundaries?

A Inside their boundaries.

Q Yes.

A Outside the boundaries of the City.

Q Well, we will leave that, we could go on indefinitely on that, the differences of opinion on that one.

A Yes, it is a very difficult problem.

Q I think you agree that it is one of the basic problems that has to be considered by the Commission when they go to deal with their recommendations.

A Well, the planning problem is to my mind the important one, yes sir.

Q Well now, at the bottom of page 43 of Exhibit 155 --

MR. DAVIES: Mr. Moffat, I wonder before you leave that subject if you could get it elucidated a bit.

Who would this Industrial Commission be responsible to, would it be responsible to the Councils, would its decisions be binding on its members or what; or would they all have to be resolved voluntarily and if they couldn't agree some of them would pull out of the Industrial Commission, is that what we would have there?

A I think that it would be, my concept of it is a voluntary organization dedicated to bringing industry,

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A (Cont'd) attracting industry to this area; and that certainly you could get disagreements and somebody would pull out of it. I was struck by the fact that the Township of Brantford and the City of Brantford had worked this kind of a Commission for quite some time and very successfully, and my source of information on that was Mr. Marlett, Secretary of the Chamber of Commerce here who was down in Brantford for quite some time.

MR. DAVIES: It all worked harmoniously until the application for annexation came along, didn't it?

A I think it probably worked harmoniously up until the time the area was taken in, certainly.

MR. DAVIES: That's all, thank you.

Q MR. MOFFAT: Now, the bottom of page 43 now, of Exhibit 155, you make a suggestion that there should be some kind of grants from the Province to, and then I quote:

"To help Edmonton over the period during which commercial and industrial development will catch up and balance the residential development."

Now, if the present boundaries are continued do you think it is going to catch up or get worse?

A Well, I rather think that there will be an improvement.

Q Why?

A Over what it is today. Well, because in connection with some types of commercial development the development does not come until you have or are on a fair way or in a fair way to get the population. I am

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A (Cont'd) thinking, for example, of the whole Sears-Simpson development. Sears-Simpson, when they were Simpson's five years ago, looked pretty closely at the City of Edmonton as an area for a store, and they did not move at that time; but as the population increased it gradually became attractive to them to consider the area and finally they did move and came in. But it is that type of thing, I believe, indicates that there could be an improvement in that ratio. I don't know how important it is, quite frankly, it may not be very important.

Q Well, suppose you take the assessments and think in three categories, "residential", "commercial", and "industrial"; now, what you are talking about is in the "commercial" category, isn't it?

A That's right.

Q What about "industrial", is there any real possibility that industrial development in any large scale, for industrial development on any large scale within the City now?

A Yes, I think there is.

Q Well, will you suggest the areas and the type of industries?

A Well, I would think that there is an opportunity here, a growing opportunity for the small type of manufacturing industry that requires a lot of manpower per, say, thousand dollars invested. I say that for this reason, that the tariff effect of freight rates has been felt in this area for some time, but it has gradually been building up as most of us realize, and to the extent that that tariff effect becomes, becomes fixed, that

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A (Cont'd) is to the extent that people believe it will remain, then you have a tendency to get more, to get more industry in of that local manufacturing type. Now, that is one consideration that would be important.

Another consideration would be, of course, that as your population grows, of course, the size of your local market increases and hence the attractiveness to particular types of industries serving local markets increases.

Now, there are those two factors on the plus side. Against that there is the fact that Edmonton's area of distribution is being closed, is being lessened, that is we are losing the Peace River country, there is not any question about that, and that would have a bad effect. Also, to the extent that the situation in, say, Winnipeg is made more unfavourable distributing out into the Prairies, Edmonton is going to have more industry of the small, what we would call almost a "hand" type of industry, machine industry and that sort of thing.

Q Then, first of all, what you are suggesting is that the type of industry that might come in the City is the type that is, that has fairly high numbers of employees related to assessments, and therefore very high demands for services related to the size of the assessment, and the tax roll, is that correct?

A Yes, that is a fair statement.

Q And, secondly, that it is a fairly long range proposition, is it?

A Well, just to keep it within reason, let's say within

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A (Cont'd) the next five years, this kind of thing, it has been happening now and it will happen.

Q If I could refer just for a minute to Exhibit 11 -- Exhibit 13, which is the Commissioners' report for eight months, filed the first day of the hearing, at page 14 of that, do you have a copy there?

A Yes, I have.

Q The amount of construction, industrial construction now under way within the City, including an item of just outside the City to the west, do you see the figure of six million?

A \$6,325,000.00, yes sir.

Q And compared with that what is going on in the refinery area as defined on that page, can you give that figure?

A Oh, yes, I can read the figure; it indicates \$21,000,000.00.

Q Yes, in other words well over three times as much of the growth is coming up in there as is coming in the whole of the City and Jasper Place and Beverly area, is that correct?

A No, I would like to state that more specifically. In the year 1954 there was three times as much in the refinery area as there was in the City, and to the extent that that indicates anything for this year it is significatn. Now, I would like to suggest to you that if you look at 1953 you will find that it was considerably more than three to one.

Q That's right.

A And I would also like to suggest to you that if you look at 1955 you will find that the ratio has switched

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A (Cont'd) in favour of the City.

Q Do you suppose it will be down to anything like fifty-fifty?

A It will be more, it will be more in the City than there will be in the refinery area.

Q Well, I was just asking for information on that particular one, I haven't looked at those figures.

A I am suggesting that at the end of 1955 that, from what we know of the development that is going to take place in the refinery area and in the City, that you will have in the refinery area, you will actually have a considerably smaller expenditure than you had in the City for 1955. Otherwise, you have a peak what I am suggesting is that 1952 and '53 in the refinery area and that has levelled off very definitely. The City are still maintaining a pretty fair kind of a growth and in 1955, if they have anything like six million they are going to be away ahead of the refinery area. That is subject to confirmation, but that is my belief.

Q Well now, when you said that the Edmonton area was going to catch up, you were not thinking in terms of residential growth coming out into the Strathcona area and catching up in that sense and swinging the balance back for that reason?

A No, although I have suggested that subdivision developments I think will go ahead.

Q But you are, your suggestion there is in terms of potential industrial growth probably in terms of a slowing down in the industrial area rather than it

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Q (Cont'd) increasing in the City, is that it?

A No, I was thinking of a decrease in the City, residential, and a maintenance of their industrial; that is, I was not talking about the refinery area in this statement at all, as you will see from the statement.

Q Now, Mr. Chairman, the next step I wanted to go into is the new table nine which is the comments on the financial position of the City, and it is a fairly long subject and I imagine we will get into some complications. It might be well to take the adjournment and then start it afterwards rather than get into and then have the adjournment while we are in it.

THE CHAIRMAN: That is agreeable, we will adjourn until 11:10.

(At this point the Commission adjourned until 11:10 and reconvened.)

THE CHAIRMAN: Will you proceed then, Mr. Moffat?

MR. MOFFAT: Yes sir; I hope it isn't too long and I don't think it will be; but I have made those predictions before.

THE CHAIRMAN: Yes, I was about to say that but I refrained.

MR. MOFFAT: I have tried to get at it in a different way altogether, which will avoid getting into -- "your figures are correct" and "your figures are not correct" -- and I have tried to come at it at a different angle entirely. Exhibit 178E -- .

DR. HARRIES: Excuse me for a minute, please; none of us can locate the exhibit.

THE CHAIRMAN: This is Table 9 as amended?

MR. MOFFAT: That's correct. I propose to make some reference to Table 9 in the original form also, so if we could have the two tables in front of us --.

THE CHAIRMAN: Yes.

Q MR. MOFFAT: Now, you have it available now?

A Yes sir, I have.

Q First if we could establish the assessments in the area; on Exhibit 178E, down towards the middle, we have "estimated 1954 assessment, Jasper Place, Beverly, Edmonton and Strathcona". Now, those figures are the same as the ones carried in your original Table 9?

A That's correct, sir.

Q The Strathcona figures are the best estimates that you have of the situation in respect to the part of Strathcona which would be included in the proposed

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Q (Cont.) enlarged boundaries; is that correct?

A Yes, that's correct; it is an approximation.

Q Now, if you add those three together -- the three, shall we say, added areas -- the total assessment involved there is, for round figures, \$26,000,000.00?

A Yes -- actually it's \$26,535,000.00, so -- .

Q It's almost twenty six and a half million dollars, then. Now, the present mill rate in the city is 53 mills, so that to apply the city mill rate to that assessment of the three added areas would yield how much revenue? I suggest to you, for round figures, a million four hundred thousand -- it's actually a shade over.

A Yes, that's correct.

Q Now, if Table 9 means anything it must mean that that wouldn't be enough money to maintain the services in the three areas; is that correct?

A That's correct.

Q Well, now, let's take it the other way, now: how much is it likely to cost to maintain the services in three areas? Do you know how much was spent in that area in Strathcona last year, approximately?

A No, we don't; we had an estimate here of \$300,000.00.

Q Well, that's the figure I was going to suggest to you.

A Yes, but I don't think we can -- I'm not prepared to accept that figure.

Q Well, let's take it this way: you have suggested the other day -- and I think you gave it as a firm figure -- public works \$125,000.00.

A That's correct.

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Q. Dr. Jonason suggested there were about 400 students in there. Taking your figure of \$200.00 a student, that is \$80,000.00. That makes \$205,000.00 for those two items.

A. That's correct.

Q. What would you think would be a reasonable figure for the balance?

A. Oh, I would have to calculate it by prorating your per capita expenses on the other items.

Q. Well, do you think your own figure of \$300,000.00 is not reasonable for the total?

A. No, I don't think it is a good figure.

Q. Well, would you think it should be higher than that or lower than that?

A. Well, I don't think, I don't think that that is -- I don't think you can get any better figure, probably, but you have no way of testing the accuracy of that figure at all because the whole thing is based upon estimates for which there is no previous experience. You see, if we could split up the books of the M.D. that would be a very useful way to get that figure; but you just have to guess at it, it can't even be an intelligent estimate.

MR. ROBISON: What would be the range? In the real estate business we talk about the range in price: ten to fifteen thousand -- and then we narrow it down. Now, what would be the range? Would it be two hundred and fifty to four hundred thousand? Would it be in there?

A. I think it might be, sir, yes.

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Q MR. MOFFAT: You see, what you are estimating really is, other than public works and other than education, and adding that on to the \$200,000.00 figure -- so you have a fairly firm base for it.

A Well, to the extent -- but you are estimating your public works again, you see, on the basis of no knowledge. The only cost that you can tie onto is your education cost.

Q Well, supposing we let it go at that, then. We agree it is somewhere, \$300,000.00, plus or minus, and we will let it go at that for the minute. Now, take Beverly: your own table, showing the Beverly figure as \$52.00 per capita, table 8, in Exhibit 155. Now, do you know the population?

A Well, I think we are using 3600 on that; I will check it for you, Mr. Moffat.

Q Well, the best figure available is 3548.

A Yes, 3550 is the figure we were using on it.

Q Which would work out, I suggest to you, at roughly \$185,000.00 for Beverly.

A I haven't checked that but that sounds reasonable.

Q And for Jasper Place your table 7 suggests \$45.46 per capita.

A Yes.

Q Which, on the population, I suggest to you comes out at \$605,000.00.

MR. DAVIES: What population figure are you using there?

MR. MOFFAT: 13,307.

A I'm sorry; the figure -- the multiplication gave a figure of -- ?

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Q MR. MOFFAT: \$605,000.00, practically.

A And Beverly was a hundred and -- ?

Q And Eighty five thousand.

A M-hm.

Q Now, if you add those three together what do you get for a total?

A I get about 1.1 million.

Q Yes. Now, in the way of revenue you had grants from the province of \$7.55 per head coming in, which means that the net cost to the province will be a million-one -- less those grants; or, the net cost to the city, rather, on the enlarged area, would be a million-one, less the grants, which would be approximately what net cost, then?

A Your grants would run about a hundred and thirty -- .

Q Six, I think -- about a hundred and thirty six thousand.

A The net cost of about a million dollars.

Q And I think we agreed a few minutes ago that you would have a net revenue on 53 mills of a million-four, which means that you would have \$400,000.00 left over out of 53 mills on that assessment, which your own figure shows.

A M-hm.

Q Now then the question is really, isn't it: does that, is that \$400,000.00 enough to raise the standard in that area? Do you have any reason to think that that would not be enough to raise the standard in the area?

A Yes, I have reason to think so.

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Q What is your estimate as to how much it would cost to raise the standard in the area?

A Well, it would represent the difference between the figure of a million, which we have calculated, and the figure which I calculated in revised Table 9.

Q Do you know how much that would be?

A Oh, I think I could -- .

Q You would be -- you are suggesting that it would take an extra six mills over the whole area, aren't you?

A That's correct.

Q Six mills over the whole area would raise how much money?

A About one point two.

Q Million?

A Yes.

Q Plus the four hundred thousand we are talking about, which would be a million-six per year?

A Yes.

Q Now, do you have any estimates that it would take ^{permanently} a million-six per year to raise the standard in that area?

A No, but there are two factors that are involved here: one is the problem of raising the standard, and the other factor -- which I think this kind of a calculation neglects and which it can be demonstrated is important -- is the increase in per capita cost with increase in population.

Now, that is why I chose this second method rather than trying to figure it out in the way that we have just been discussing, because to me the

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A (Cont.) way that we have just been discussing doesn't take into account the extra cost that will come as a result of increase, increase in population.

Q What are those extra costs?

A Well, the per capita cost for the City of Edmonton for 1948, '50, '52 and '53, are given in Exhibit -- in Table 6, and if you take those and put them on a constant dollar basis, you find that for each increase of one percent in the population, there has been a 1.2 percent increase in the per capita cost.

Now, unless you are willing to disregard that relationship -- which is actually there on the basis of past experience -- unless you are willing to disregard that, then you must accept some increase in per capita as a result of this, not just a matter of simple addition, in other words.

Q Do you see any difference between increasing population by new people coming into the area, and increasing population simply by changing a boundary on the map around people that are already there?

A Yes, the difference I see there is that the increase in population by annexation will result in higher costs.

Q Why?

A Higher costs than those costs which would come as a result of ordinary immigration.

Q Why?

A Because with ordinary immigration you have an opportunity to plan the lay-out of the extensions that you are going to put in; and with annexation,

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A (Cont.) the annexation type of net increase you have to accept what may be uneconomic lay-outs, lay-outs which have not been -- .

Q Well, let's take some specific items: one of the big expenditures on the city budget at the moment is the carrying charges on existing debt of the city. Now, will that be increased by moving that boundary out around the different areas?

A Yes, to the extent that there is a population increase.

Q By any more than it would by taking over the debt of the present municipalities which are already included in the figures we calculated?

A If the assets which that debt represents are laid out so that they could be fully integrated with the city, then there would be no increase.

Q Let's take another one: the expenses of -- .

A I say "if".

Q -- parks and recreation and airport, where the city is now paying the cost, providing the service for practically the whole area. Will those be increased if the boundary goes out?

A I would think that your costs for parks would very definitely be increased, because planning of the type that you do in Edmonton will require probably the thing that Mr. Hodgson referred to the other day : the acquisition of private property, and so on.

Q But, say, the Borden Park, if that is developed, or the Laurier Park -- is it going to make any difference to the cost of that whether the area is

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Q (Cont.) a little farther out or a little closer in?
Any increase in cost there?

A No.

Q Any increased cost on the airport?

A No.

Q Any increased cost on the Royal Alex Hospital,
deficits, I mean? Isn't the city already paying
the deficits there now for service for the whole
area?

A The city, I understand, gets payments from the area;
whether the payments would be the same if the people
were in the city or whether they would be less,
I don't know.

Q But what about the deficits?

A Well, the payments presumably go to increase or
decrease the deficits, so that is just an indirect
way of looking at it.

Q In any case, your are not suggesting it would be any
greater than what is now paid by the city, plus
Jasper Place and Beverly and Strathcona?

A I am suggesting if there is a difference in the
payments, then it would be greater, yes.

Q What about the big item of local improvement charges
with which the city includes in its budget at the
present time?

A Excuse me, Mr. Moffat: I was just informing myself
on the hospital; I understand that people now in
the Municipal District pay a dollar a day plus fifty
cents -- plus a fifty cent depreciation account --
into a depreciation account.

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Q That is paid by the individuals?

A No, it is paid by the municipality; so that if you did take these people in, ^{you} would presumably lose the fifty cents depreciation, and consequently that would increase your deficit. That's the type of thing I am talking about without having -- with having only very imperfect knowledge of it. However, I understood that there might be some differences, and this is one of them.

Q Well, I was going to take you onto the next item: local improvements, there is about a million dollars, a little more than a million dollars a year in the city budget at the present time which is regarded as local improvement charges against the residents of the area, and paid as current charges -- carrying charges on local improvement debt. Now, isn't that another item where there would be no change by having the boundary extended? You simply add together the sum of the existing local improvement charges. That's all you do, isn't it?

A Yes, but I think that the fact that you have a bigger operation has historically increased the cost of your local improvements, you see.

Q Yes, when new people come into the area.

A That's right.

Q But when existing people are already in the area and you simply move the boundary, does that add any extra?

A Well, to the extent that you are met with local improvement cost in those areas, which you certainly would

A (Cont.) be in this case, yes.

Q Well, if the area is now being served by a cost of about \$900,000.00, which is the figure you suggested, is there any possibility that it would go up to two million six -- in other words, multiplied by three -- to serve the area simply because you move the boundaries?

A Once again I have to draw your attention to the fact that I believe there are two costs. There are the costs in the annexed area, and then there is the effect of increasing population on the overall costs; and then, as I say, I think the evidence is quite clear that you don't get a one percent increase in cost with a one percent increase in population, even after you have allowed for inflation factors, and everything else. Certainly I think the evidence that Mr. Hodgson put in indicated that as the city gets bigger, as it grows, there are -- your per capita costs go up; and I know from the Calgary experience that they agree that your -- as your population increases your costs go up more rapidly; that is, there is not a constant relationship between population increases and cost increases.

Q Do you think it's three times? Three hundred percent increase? Where you are serving an area for \$900,000.00 does it suddenly increase to \$2,600,000.00?

A No; that, I am afraid Mr. Moffat, is not interpreting the figures correctly. The figures indicate that it is an increase of 1.2% for every

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A (Cont.) increase of 1% in population.

Q Well, let's take another slant on this thing.

Exhibit 29, which is the estimate prepared by the City of Edmonton Engineer in connection with installing services to bring the area of Jasper Place and Beverly up to the city standards -- that was put in very early in the hearings. Do you have any reason to think that that is not a fairly reasonable estimate?

A No, on the contrary: the little experience I have had with Mr. MacDonald, his figures are usually very good.

Q Have you compared it with the estimates that were put in for Calgary for the surrounding areas there?

A No, I haven't.

Q I suggest to you that those figures would indicate that the area would be brought up to standard for about four and a half million dollars of which about a million and a half would be chargeable to local improvements, which means that the total cost of bringing the area up, chargeable against the general taxpayers would be roughly three million dollars; and that is total so that it could be financed over whatever period of years anyone wished. Now, does that look strange to you as compared with the suggestion that 6.3 mills over the whole area, or, as we agreed, about two million six hundred thousand would be required per year?

A No, it doesn't look strange at all, because this deals with sewers and water, and what I am dealing

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A (Cont.) with is the past cost experience of the city from their statements. You see, if this assumption of ours is wrong, that there is a cost increase of 1.2% with every 1% increase in population -- if that is wrong when applied to 1955 or whenever one could presume that annexation would take place, then it indicates that there is a fundamental change in the costs that the city is going to encounter, and presumably that fundamental change should be reflected, not just in this thing but it should be reflected in the cost of your ordinary population increase -- which I am quite certain it won't be.

Q Then you are not prepared to agree that there is a fundamental or complete difference between twenty thousand people, new, coming into the area, and twenty thousand people who are already in the area being told to send their cheques to this office instead of that office for taxes? In other words, you leave the thing alone otherwise, except in the future you make your cheque payable to the City of Edmonton rather than Jasper Place; but if you leave everything alone except make that one change don't you agree that's fundamentally different from bringing thirteen or fourteen thousand extra people into the area?

A It certainly is fundamentally different, and it is fundamentally different in my thinking because your costs in that case are going to be higher than your costs of an integrated development within the city. I may say that I take this to be the view of the finance commissioner of Calgary; in fact, I thought it was a fairly generally accepted theory inasmuch as

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A (Cont.) it can be shown to be proved practically, even in the City of Edmonton.

Q All right; now, then, let's take that figure for a minute, then. Supposing we accept your figure of 1.2 for every 1% increase. This is a population increase of roughly 10%; is that correct?

A Yes, approximately.

Q So that, you would think, would correspond to an increase in expenditures of about 12%?

A About eleven and a half.

Q Now, the city spent last year 18.6 million; is that correct?

A Well now, could you identify that -- ?

Q No, I'm sorry, that 18.6 is off your exhibit; this one shows 16.8, page 28 of Exhibit 11.

A Yes.

Q Total expenditures, 53 -- 16.8 million.

A Yes.

Q And 12% on that would be about what? Two million one?

A Two million, yes.

Q Now then you are agreed that that is the absolutely top figure that anyone should even think about, is it? That is, assuming that the increase has happened on local improvements, that the increase has happened on debt charges, that the increase has happened on airport, and all the other items in the budget.

Would that be correct?

A It makes the assumption that the experience in the future is not going to be any different from the experience in the past in connection with population

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A (Cont.) increases.

Q Yes.

A That's all, because what we have done, we have taken
and
your '48 to '53 increases just applied them to '54 and
'55.

Q And it also makes the assumption that there is no
increase in revenue corresponding, eh? In other
words, you have to knock off -- .

A No.

Q -- of that figure the extra revenues, do you?

A No, that is the net -- that is a net increase.

Q In expenditures?

A Yes.

Q But you don't have to take off of that the extra
revenue from the province, and you don't have to take
off of that any increase in revenues from all the
other items of the city: licenses, rents, concessions,
service charges and so on?

MR. ADAMSON: And utilities.

A Yes, you do take in the calculation I have made in
Exhibit 9 -- amended Table 9, Exhibit 178E --
you assume the same tax relationship as previously
existed, and otherwise on the basis of your past
tax experience, your real property tax experience;
so you do make an allowance for your increased
revenue from other sources.

Q Well, now, let's go on to another aspect of the
thing. On page 38 of Exhibit 155E, about the
middle of the page:

"It is obvious that capital debt will also
increase."

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Q (Cont.) Now, what capital debt are you talking about there?

A The capital debt of the city.

Q Per capita or total?

A I was thinking of total debt in that case.

Q And what will be the factors that will make it increase?

A The fact that they are spending more money, because of extending these services.

Q Well, let's take the items that ~~are~~ involved there: the first item, you will agree, is the capital debt of Jasper Place and Beverly which they will assume. That's one item.

A That's correct.

Q Now, what are the other ones? Now, let's get this clear again: these are net increases resulting purely from the change in boundaries and not from any new people coming into the area. Now, what are the other capital debt items?

A Well, you would have an increase in sewer and water.

Q Yes?

A Education.

Q Yes.

A Any -- .

Q What else besides those?

A Well, all your local improvements, your roads and curbs and everything that you would spend money on specifically in those areas, that would be your first -- .

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Q In other words, those are the very items that Mr. MacDonald was talking about in his exhibit 28, plus --.

A Yes, those are some of them.

Q Plus schools?

A And then you would have -- yes, I think those would be the major capital expenditures that would be involved.

Q But you are not suggesting any more than the ones that Mr. MacDonald was talking about, roads, streets, sewers, sidewalks, and water, plus the school item?

A Well, and police cars and fire engines and fire stations, all those things of a capital nature which are required to render service to the citizens.

Q Now, have you made any calculation of how much those would amount to?

A No, I haven't, because I -- well, I just couldn't undertake to figure out how many fire stations are needed or what they would cost and so on; and I don't think it's necessary because this other approach is, I think, more realistic.

Q Mr. Garside suggests we should be clear on what you mean by this "other approach" that would be more realistic.

A The approach that we have used in Exhibit 178E.

Q Which is to apply a 12% increase when there is 10% population involved?

A That's right, which is to apply the past experience of the city in connection with the future.

Q Well, now, I think that's all, as far as the financial material is concerned. I don't know if the Commission wants to ask anything about that, or should I go on and

Dr. H. Harries - Moffat Ex.
- Blackstock Ex.

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Q (Cont.) finish up my general questions?

MR. BLACKSTOCK EXAMINES THE WITNESS:

Q I have one or two questions on Exhibit 178E, and this might be the proper place to ask them.

Mr. Harries, when this industrial area began to develop, and when companies like C.I.L. and Canadian Chemical were negotiating with the Municipality, what was the mill rate?

A In 1951, sir, the mill rate was 34.

Q And did it go up after that?

A I can tell you in a moment, sir.

Q All right then.

A In 1952 it was 34, sir.

Q And when these companies came in they knew that was the mill rate?

A That's correct, sir.

Q And at that time you had the benefit of the assessment from the refineries already in existence?

A That's right, sir.

Q Now, in arriving at your increase to industry of 34.2 mills, would it not have been fairer to supply the mill rate that was in existence at the time these people came here, instead of the twenty five that you applied? You say that to arrive at your 34.2 mill increase you used 59.3 less 25.

A That's correct, sir.

Q Now, if you used 34 it would be 24.

A That's correct.

Q Then, assume that annexation takes place, and assume that we recommended to the Government that these new

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Q (Cont.) industries should not be subjected to any part of the existing debenture debt of the city, that would make a vast difference, would it not, if that recommendation were adopted; that would make a vast difference, would it not?

A The debt is about ten and a half mills.

Q Yes.

A So that would chop it from our figure of 59 mills down to 49.

Q On my basis of 59.3 and take off 34 instead of 25, then that figure you have just given me would reduce it to about -- an increase of about 14 mills?

A 14 mills, that's correct.

Q Then, supposing that we also recommended to the Government that since those people were being -- forcibly, if you wish -- taken into the area, and since they were providing their own police and fire service, that no levy should be made against them in respect of those items; that would make a further reduction?

A Oh, yes.

Q Now, your figure on your original Table 9, you showed a figure of \$1,250,000.00 to bring Beverly and Jasper Place up to standard. Is that an annual cost, Dr. Harries, or is that the total cost?

A That would be an annual cost, sir.

Q An annual. Then, supposing we said to the Government: the City of Edmonton developed in its own way, and these other towns, you might say, were almost fortuitous, and since we are virtually obliged to

Q (Cont.) take them in, don't you think -- we say to the Government -- that you should make capital grants to the City of Edmonton to take care of these services which these places might have? And if the Government adopted that suggestion your 14 mills would be disappearing very rapidly, would it not?

A No sir -- I don't believe so.

Q Well, if you eliminate those capital charges, you eliminate the annual debenture charge, and you eliminate interest -- .

A That's correct, but in reducing by taking the -- reducing the tax bill of industry, you would of necessity increase the mill rate, so that whereas we started out with a 59 figure -- I quite agree that you can take deductions for industry and arrive at a figure of 14 mills, but in the meantime the mill rate has actually been going up.

Q But in the meantime your 59.3 mills is based upon an annual \$1,250,000.00.

A That's correct.

Q And if that \$1,250,000.00 annually is not incurred then your 59.3 mill rate will go down?

A Yes sir, but -- .

Q Assuming everything is just as it appears on this statement.

A That's correct, but the 59 would have gone up in the meantime; as you are taking industry off the bottom, as it were, your mill rate is going up; then you take the 1.2 million of additional cost, due to capital expenditures, and you take that off

A (Cont.) something a little higher than 59; then, the only difference in mill rate would be the difference in operating cost; that's what it would get to.

Q Well, Dr. Harries, all I am going upon is your statement that on the basis of the knowledge you have, the mill rate would be 59.3. That is our starting point.

A That's correct, sir.

Q And if this \$1,250,000.00 should not be incurred, then the 59 mill rate would be wrong?

A That's correct, it would be wrong.

Q And then we take off the mill rate of 1951, and we take off debenture debt, and take off police charges, and take off fire -- there wouldn't be very much difference between the two mill rates, would there?

A Oh, no; I think if you gave sufficient money to Edmonton to take care of Jasper Place and Beverly, and knock industries share of the taxes out by reducing the debts and the police and so on, that you could -- well, it stands to reason -- you could get industry to the point where it is today and still have it in the City of Edmonton; and you could get Jasper Place and Beverly into the City of Edmonton at no cost to the City of Edmonton. It's all a matter of how much you are prepared to give them, that's all.

Q Quite so; that is obvious; but I have in mind that perhaps some recommendation of that kind would be eminently proper since we are being forced -- that's what it amounts to -- to take in Jasper Place and

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Q (Cont.) Beverly, and we propose forcibly to annex industry. Now, there is a set of circumstances that may call for a very special remedy, and the special remedy would be -- call it increased grants, if you like, or capital grants, to bring those services up. Now, it's all assumption -- .

A Oh, I understand that, sir.

Q And even some of your own Table 9 is assumption?

A It's not completely free of it, sir.

Q No; and no one will know, if all these things do happen, no one will know until the actual picture is unfolded and we know the results.

A That's right.

Q Oh, one other thing, Dr. Harries: I assume that your levy is based upon the 60% and not the 100% in Edmonton?

A Yes it is, sir.

THE CHAIRMAN: Does any other member of the Commission wish to question Dr. Harries at this point, or shall we ask Mr. Moffat to go on?

MR. ROBISON: Well, I prefer myself to return to this when I go into the brief.

THE CHAIRMAN: Very well; then, Mr. Moffat, I think you better proceed.

MR. MOFFAT EXAMINES THE WITNESS:

Q Well, now, in conclusion I want to ask Mr. Harries two very broad and very awkward questions: I want to ask him these questions in his capacity as the leading business consultant in this area, with a lot of professional experience and with contacts and a future interest that goes a lot wider than the

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Q (Cont.) Strathcona area as such -- and the first question is this: if there are two industries about three miles apart served by the same urban community and drawing from the same labor supply, is it good business to have one of them paying taxes twice as high as the other? As a good business proposition for the area as a whole, if they are drawing from the same downtown urban facilities do you think it is good sensible business practice to have one paying twice as much as the other in terms of municipal taxes?

A If they are the same industry?

Q The same type of industry.

A The same type of industry?

Q Yes.

A Provided they were getting identical services I wouldn't think it would be a good idea.

Q Would you think it would be equitable?

Aside from whether it is good business or not, would you think it would be fair and reasonable and equitable?

A No, if they were getting identical services and one was paying twice as much as the other, I don't think it would be very equitable.

Q No; well, now, then, the other question that I wanted to ask you is one that we incurred awhile back; it is a moral question: as a citizen of this city and a former alderman of this city, and interested in public affairs of the community, do you think that the industries in the east end of Edmonton are truly part of the city or are truly part of the rural community?

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MR. BROWNLEE: You mean the industries in the Municipal District of Strathcona.

Q That's right.

MR. BROWNLEE: Not in the present city?

Q MR. MOFFAT: No, I mean in the east end of the city, the "city" being the urban complex that we are talking about; do you think they are truly part of the city or do you think they are truly part of the rural community?

A I think that from the standpoint of administration they should be left in the Municipal District of Strathcona.

Q Well, that wasn't the question I asked you, now; I asked you: do you think they are part of the city or do you think they are part of the rural community?

A I think they are just as much a part of the rural community as they are of the city.

Q Would you say the same thing for the packing plants in North Edmonton?

A Oh, yes.

Q Have you any suggestion then that it would be better if the packing plants were paying their taxes to a rural community?

A No, I think the situation as it exists today is not unreasonable; I think the unreasonableness comes when we try to put all industry into an urban area. I don't see the need of it.

Q Well, that wasn't the question I asked you, now, and I come back again to it: do you think they are truly part of the city -- truly part of an urban area or truly part of a rural area?

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A I think they are truly part of both areas. All industry is, certainly in Edmonton. The packing houses aren't truly part of the city and aren't truly part of the country. I don't want to fence with you on this, but I think it's quite apparent that there is -- we discussed the problem the other day -- it isn't either black or white.

Q If certain services are being paid for by Provincial grants and certain services are being paid for by municipal taxes and municipal costs, do you think they are in a position where it is more proper and equitable that their municipal taxes should go to the urban area or to the rural area?

A I'm sorry -- I don't know where the Provincial Government came into this -- if certain services are paid for by the Provincial Government and certain are paid by the Municipal Government, do I think it's proper -- .

Q In the case of the part that is being handled by municipal services, that the contribution from these industries in the east end of the city should be to the urban municipality or to the rural municipality?

A I think it should be to the rural municipality, the way it is today; because that is where the services come from -- that is where the service is coming from with the exception of this one cost that we previously discussed.

Q Now, then, one other question: do you think ^{that} a mistake was made in the Edmonton area in 1912 when the South Side and the North Side were put together?

A No.

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Q Do you think it was a good thing that they were put together at that time?

A Yes.

Q Thank you.

THE CHAIRMAN: Now, I am faced with this difficulty -- have you any questions, Mr. Garside?

MR. GARSIDE: I have a few, sir, yes.

THE CHAIRMAN: You see the time. Do you think that you would prefer to begin, or would you prefer to adjourn first?

MR. GARSIDE: I think probably I would prefer to adjourn.

THE CHAIRMAN: Yes. Well, are there any other questions that anybody else has, having in mind questions that won't take too long? Are there any members of the Commission who would like to ask -- .

MR. DAVIES: We all feel like Mr. Garside.

THE CHAIRMAN: Well, I have no doubt Dr. Harries and Mr. Moffat would agree that adjournment would be in order now, and since it seems to be unanimous we are adjourned to two o'clock.

(At 11:50 a.m. this date the Commission stood adjourned until 2:00 p.m. this same date and reconvened.)

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THE CHAIRMAN: Carry on, Mr. Garside.

MR. GARSIDE EXAMINES THE WITNESS:

Q Dr. Harries, in answering some questions of Mr. Moffat, you said you had great respect for the opinions of Mr. Dant, and also, made reference to town planning, and considered that was a very important part of the problem before the Commission, is that right?

A That is correct, sir.

Q I draw your attention from page 2225 of Mr. Gertler's evidence this answer, "That the metropolitan area for planning purposes should be considered one, and we have said that inequalities in the distribution of revenues and cost, as between the various municipalities affect the effective operation of metropolitan planning in two ways, (1) it distorts development, and (2) the other distortion is a distortion in attitude, but, the Commission has not suggested any changes in boundaries." Do you agree with that answer?

A Well, yes, I see that as a problem which I think I mentioned before.

Q And then he goes on to say, "All municipal council adopted the Outline General Plan with the exception of the Municipal District of Sturgeon". That is of course a statement of fact, you accept that?

A Oh, yes.

Q And then he said, "Planning matters which are definitely intermunicipal should be handled by one

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Q (Cont.) authority with executive powers". What do you say about that?

A I agree with Mr. Gertler that the Edmonton District Planning Commission set-up must be altered, and must be strengthened. It seems to me, regardless of what boundaries you put to a municipal area however, you still have fringes. You still have an edge to the one municipality and the start of another one, and consequently, that by say. enlarging the City of Edmonton boundaries you don't do away with the planning problem by any matter of means, and I seriously question whether you make the planning problem any less difficult from the standpoint of the Planning Commission. I appreciate what I think Mr. Gertler's difficulties are and I believe they can be remedied.

Q How would you suggest the remedy?

A Well, I would suggest, there should be for example compulsory membership of the Planning Commission.

Q What other suggestions?

A And, I think subject to adequate safeguards for appeals, they should be, they should have the executive authority that has been discussed. But, I do suggest Mr. Garside you are still going to have the planning problem in this area unless you make the boundaries of the City of Edmonton extend 35 miles each way, to me it doesn't make the planning problem any better or any worse.

Q Do you not agree, if the metropolitan area was brought under one council, that would itself contribute greatly

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Q (Cont.) to the orderly development of the metropolitan area?

A No, given, no, I would not agree with that, because, I believe that good planning effectively, can be effectively carried out under something like the Edmonton District Planning Commission. Just as ^{as,} effectively/say under the City of Edmonton Town Planning Department, every bit as effective.

Q We will assume that the Commission recommends there is no change in the boundaries, and we have the jurisdiction of the Municipal District of Strathcona with its council, and, you have the council of the City of Edmonton?

A That is correct sir.

Q They may disagree entirely on the question of what should be done with regard to main roads, what should be done with regard say the question of the location of schools?

A Yes.

Q And all this time the population is filtering into the area. Don't you think that would be an unfortunate condition where there would be conflicting jurisdictions like that in connection with planning?

A Yes, sir, I think it has been shown to be unfortunate in a couple of examples, but, I am suggesting, if you move the boundary of Strathcona out say three miles to the east, you are still going to be faced with exactly the same problem. You are still going to have, you are going to have to have an Edmonton District Planning Commission with authority, and you are going to have problems of

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A (Cont.) roads, and schools as you mentioned, any of those things, and there is not going to be any more acute or less acute. Now, for the first year or two after the boundaries are put out there, they might be less acute. Take five years from now, I think you would be back in exactly the same spot, otherwise to extend the boundaries doesn't do away with the planning problem. And that is my view on the subject.

MR. ROBISON: I don't think though you have answered Mr. Garside's question myself. Do you think if you put a line where the boundaries presently exist, do you agree that the problem of planning is more acute than it would be if the boundaries were three miles to the east, the same type of problem but more acute?

A I am sorry sir. I didn't answer the question. What I was trying to say was in the immediate future for a year or two you might, certainly your problems might be less acute, but, I see no reason to suppose three years from now you would not be in exactly the same position as you are in today.

MR. ROBISON: Would good planning have anything to do with supplying an answer to that?

A To the extent that good planning up to this time, has to my mind removed a vast number of problems that we would have had in the absence of good planning, but, you still have the basic problems.

MR. ROBISON: Yes, but the farther east you go your problems are not urban, they are rural aren't they?

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A At the moment they are, sir, but, I don't see any reason to suppose that you wouldn't on one border or the other get exactly the same kind of thing you have today.

Q MR. GARSIDE: Now, on page 2 of your brief you say, you say the councils recommend to this Commission requiring to recommend boundaries and a form of local government, which would adequately, and provide equitably for the orderly development of schools, and municipal services, and to recommend any practical measures which may be taken in the interests of the ratepayers generally, with respect to the administration, and the financing of schools, and municipal matters, and the form of government recommended for the area under review. Now, dealing to some extent with the planning measures as well, do you think in the metropolitan area there can be an orderly development without the control of the town planning being in the one authority in the metropolitan boundary itself?

A Just, Mr. Garside, just so I will be sure I understand your question. The question is, can there be an orderly development in the absence of the City of Edmonton Town Planning Department having control in the metropolitan area.

Q Yes, I would say that is roughly speaking, the question?

A My answer, sir, would be, yes there can be orderly development within the city that is presently constituted, and within the metropolitan area by

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A (Cont.) virtue of the existence and work of the Edmonton District Planning Commission.

Q Let us take two examples, and when I give those examples, there is no censure whatever upon the Municipal District of Strathcona. They are acting entirely within their legal rights, and according to their best judgment. I am informed that as a result of the differences of opinion, considerable difficulties have been, or will be caused in the city in its ordinary development. Now, I am referring to the Outline General Plan, which I think has been filed here as an exhibit.

MR. MOFFAT: 273, the map, yes.

Q MR. GARSIDE: Now, I am pointing out one black spot here. It is a little black spot my finger is on. That I understand is the location of a Drive-In theatre that has been established in that area. I am informed by the Town Planner that so far as the overall development of the metropolitan area is concerned, that has, or will interfere with the developing of that region, as he would have developed it had it been under his jurisdiction, do you agree with that?

MR. BROWNLEE: Do you know which theatre that is?

A The Sky View Drive-In on 50th Street. Well, to the extent that that theatre was put in there against the recommendation or wishes of the Edmonton District Planning Commission, why then it is certainly wrong, no doubt about that.

Q MR. GARSIDE: Now, another matter which seems to, or will cause difficulty was also pointed out by the

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Q (Cont.) Town Planner, and I am not quite sure of the location, but, I understand it is a portion of property, or property rather between two railway lines at the south east corner of the metropolitan district?

A Is that the one that was mentioned, the Edmonton Steel Fabricators building on what was going to be the ring roller, is that the example?

Q I believe so?

A Well, there again sir, I am not familiar with the circumstances, but, I would agree that if the Edmonton District Planning Commission didn't agree with that, then it is not in the interests of good planning to have it there, I mean I am in a position of accepting the fact that the Edmonton District Planning Commission as a Commission is capable of, and if it it isn't capable of, it should be given the power to make it capable of, of planning this whole general area.

Q So then as far as you are concerned, if you believe that certain rights should be taken from the local municipality that form in membership the Edmonton District Planning Commission, to the extent they are not allowed to exercise their expression in matters of town planning?

A Yes, I think it should be given compulsory membership and some form of executive authority. But the fact, I have listened with interest to many of the planning problems, and the thing that impressed me Mr. Garside, was the fact that there had been relatively few real problems come up in connection

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A (Cont.) with the type of thing we just discussed.

Now, maybe it is a completely erroneous impression, but, that is my impression.

Q What I would suggest to you is this, I understand the Edmonton District Planning Commission was established in 1951, and when it was established this Outline General Plan was prepared, and accepted by the councillors of all the municipalities with the exception of Sturgeon, and yet here four years later we have the spectacle of Mr. Gertler who ^{stating} represented that Commission that the whole of the town planning of this neighborhood stood in danger of being destroyed because of the withdrawal from that Commission of the Municipal District of Strathcona and Sturgeon.

A I can see his fear, and that is why I say that I think you have got to have a strong authority, or authority with more power.

Q Now, you have quoted this case of Brantford's application in your brief on more than one occasion?

A Yes, sir, we did.

Q I take it therefore, you approve of that decision? ^{that}

A No, I approve of those parts I quoted out of it.

Q Dealing with the first one, just as a matter, I am not quarrelling too much with it. Item No. 6, where you refer to the burden of proof?

A Oh, yes, sir.

Q I just wish to make this comment. This Commission is quite different from a board acting under particular statutory authorities in force in Ontario?

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A Yes, I presume it would be sir.

Q Do you agree with me the only onus upon us ^{is} to give to the Board the fullest information we can about the conditions prevailing in our municipalities, and that the onus is upon the Commission after hearing our information to make a decision, such as they deem to be correct?

A Yes, I think that is fair, sir.

Q Now, I draw your attention in connection with this Brantford case, and for reference purposes, 1954 Ontario Weekly Notes No. 41 at page 849.

"Of parallel importance is the necessity for avoiding for ^a long period of years repetition of the confusion and controversy involved in another major annexation proposal, and serious interference with the orderly administration of local municipal affairs which cannot be avoided when important boundary changes are made." Now, what comment have you to make on that?

A Well, I think that that is desirable, yes.

Q Pardon?

A I think that is desirable, yes.

Q Now, I come to some of your recommendations. As I understand the effect of your brief, it is, shortly, that you agree there are problems which have struck Edmonton, and Beverly, and Jasper Place, by reason of the rapid expansion in population. You recognize those, but, you say that the solution to the problem lies rather in the payment of an allowance by the Provincial Government, a special

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Q (Cont.) allowance, or special grant to cover any extra costs which have been involved. Could you tell the Commission just on what basis the special grant should be made?

A Not specifically, but, I think that you can devise, a formula could be devised that would relate the growth in a particular municipality to some average grants growth, and a premium should be given in pardon me, not should be, could be given in grants based upon the percentage increase in the municipality concerned over and above what can be considered as normal. Now, that begs a couple of questions, the first question it begs is, what could you consider as normal. Well, I think in that regard it would be fairly simple to take the average increase in the large cities in Alberta for a period prior to 1948. Well, take it as ten year period, and the average increase, if you wish to separate big cities from small cities, or small urban areas and rural. Set up norms for those three divisions and then make a grant on the basis of the percentage increase over and above that amount which the municipality has in population in any particular year. But that would seem to me to be one way of doing it, it probably has some bugs in it, but that is a reasonable start I think towards their problems.

Q So then, you think it is reasonable that the Provincial Government should accept responsibility for years that have gone by since 1948?

A Well, I was suggesting that your population base period

A (Cont.) should be prior to 1948. Only because it is prior to '48 that we seem to consider as normal in terms of population increase. No, I am not suggesting it should be made retroactive.

Q Presumably these, we state, the city states that its large debenture and indebtedness has been caused in great part by the rapid growth in population?

A I quite agree it has, but the Government after all have been mindful of that fact and I think have given a good deal of assistance. Now, it may be argued it wasn't enough assistance, but certainly they have given some assistance, in fact, comparing the situation in 1951 when the private money markets dried up for the City of Edmonton and the situation today, I think that some of the fears we had in 1951 just haven't been realized, and, I notice a talk that Commissioner Tweddle gave last night, or reported in last night's paper, and, I rather think the ideas that he expressed are the ones that I would adopt. They highlight that difference, and if I may be permitted to read this part into the record, I had it here all morning because I thought it would probably come up, if I may be permitted to read it into the record. I think it expresses the ideas the way I feel about them at the present time.

Q Go ahead?

A Commenting, the paper quotes Commission Tweddle that saying, commenting Edmonton has always had had one of the highest debts in Canada Mr. Tweddle

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A (Cont.) said, "The yardstick to measure the city's economic health is not how much is owed, but the ability to pay the debt. The debt charge amounts to ten and one half mills", he said. And then he is quoted as saying "It is a figure we can handle quite well". I am not sure it can be handled with all of the ease the paper report makes out it might be. The point is, because of the Provincial Government's assistance since 1951. The problem is now less severe than it would have been if the province hadn't come in. I am just pointing out that they have given quite a bit of assistance, and they have put the city in a much better position than they would have. I am sorry I gave such a long answer but, that is how I feel on that particular subject.

Q I have mentioned this matter three or four times before the Commission, I would like to get your answer. It was stated in Calgary when an area becomes populated to a greater extent than four persons per acre, then the problem facing that particular area is a rural, or urban problem more than a rural. Would you agree to that statement?

A Yes, I have no reason to think it isn't correct at all.

Q Could you tell me whether or not the fringe areas that we are taking from Strathcona, at least it is before the Commission. The metropolitan area in your, in the M.D. of Strathcona, what is the population per acre in there, could you tell me?

A Oh, it is considerably less than four to the acre.

Q But, there are places where there is more than that, are there not?

A I haven't checked the subdivisions, I would think there are places, yes.

Q Now, coming to the industrial --

A Pardon me, I think there are also places outside the area where it might be four to the acre within a very isolated little spot.

Q By the way, could you tell me whether there are any hamlets in the municipal district of Strathcona?

A Yes, there are.

Q What are they please?

A Josephburg is one of them sir, and, South Cooking Lake.

Q Now, the intention of the municipality would appear to be to create urban conditions in a portion of that metropolitan area, is that not right?

A No, I don't think that is correct sir.

Q What would you say as to the development of Campbellton, isn't that an urban?

A That is right, it is a question of whether it is in or out, certainly with Campbellton they want to create urban conditions, whether it is in or out doesn't make any difference.

Q Is it not true in connecting with what they call the Bailey units?

A Well, if we take this index of four people to the acre, Bailey doesn't come up to it. The general plan on the subdivision as I understood it is one family to about three acres, so that it wouldn't

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A (Cont.) meet the urban test of four to the acre sir in Bailey. It is a suburban development I think would be more accurately described, way of describing it.

Q If the projected growth of Edmonton is along the lines referred to in Mr. Gertler's report, namely, there will be I think, 350,000 people in this area within the next seven to sixteen years. A lot of that population would spill over into the Municipal District of Strathcona, would you not say that is right?

A Yes, I think a lot of it will into the suburban areas.

Q And then of course you would get an urban condition. would you not?

A Well, no, if we take three acres per family basis you wouldn't in terms of the definition we have been using.

Q No, I am speaking of spilling out into the metropolitan district by reason of the growth of the city?

A You mean like a housing development between 50th and 75th Street.

Q That goes out into the Municipal District of Strathcona, that will be an urban development wouldn't it?

A Oh, yes, definitely.

Q Now, the Municipal District of Strathcona is a district designed and created under the Municipal Districts Act, for the primary purpose ^{of} administering a rural or agricultural area, is that right?

A Well, to the extent that it is under the Municipal

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A (Cont.) Districts Act, I suppose yes, that is, that is what historically has done anyway.

Q Questions have been asked by members of the Commission as to whether or not a municipal district, a rural municipal district is equipped to administer an urban or industrial area, what have you to say as to that?

not

A I can speak of course from the legal standpoint, but, I would say this from my experience in the area, that the Municipal District of Strathcona have done a very satisfactory job from the standpoint of industry in the area, of administering it.

Now, understand that is just my impression, I don't know legally whether they can or they can't.

Q Would you mind explaining what you mean, "done a satisfactory job", what have they actually done in connection with administering the industrial area?

A Well, they have --

Q Have they built any roads for the, to accommodate the industries?

A Oh, yes.

Q I mean, have they actually built roads, or were roads there before?

A Well, there were roads of course, sir, but they required have built them up to standards by industry, and for movement of industrial goods and service.

Q I understand for instance, they have given no administrative assistance in relation to health or fire, or police, or garbage collection or anything of that kind, have they?

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A Not to my knowledge sir, but the industries are quite satisfied with the way things are now as far as administration is concerned.

Q Didn't you tell us earlier this morning that so far as the establishment of industry in that area was concerned that the Strathcona Municipal District did nothing to induce them to go there?

A I said, as far as I knew they had no industrial commission nor had they done anything to get the industries there, that is correct.

THE CHAIRMAN: Dr. Mayo, have you any questions you wish to ask?

MR. MAYO: No.

THE CHAIRMAN: We begin now with Mr. Robison.

MR. ROBISON: Oh, I have just got two or three matters here. I would like to ask Dr. Mayo. I will ask you something Mr. Moffat in a minute too. Regarding Sturgeon and Morinville, should we have any information about the subdivision plans of those two municipalities in addition to Strathcona, having regard to the proposed enlarged boundaries. It occurred to me it might be advisable perhaps to have something from those two municipalities, what do you think?

DR. MAYO: I think you are quite right Mr. Robison, we should. I had put it, in view of the changes that have taken place there, municipal boundary changes taken place there ^{since} the Commission started to sit that it was the sort of information we would acquire privately, rather than at public hearings. Especially, in view of the changes that have happened to Sturgeon.

MR. ROBISON: Well, that is information we will /getting along the same lines as the information submitted by Strathcona and Stony Plain also. I think we ought to have that information on record and accurately. Well, I don't know Mr. Chairman whether I want to ask too many questions or not.

MR. ROBISON EXAMINES THE WITNESS:

Q Dr. Harries, I am confused personally about your ideas to whether this is, or is not a metropolitan area, and I would like to clarify /in my own mind, so if I seem dull you bear with me. I have flown in and out of this city I don't know how many times, and as I come in an aeroplane or go out in an aeroplane over the area, I am aware of a built up compact area. It has no regard to municipal boundaries of any kind. Indeed, I was unaware of any municipal boundaries until this Commission started. Now, would you agree that what we see from the air, an aerial photograph, roughly speaking, would be the metropolitan area, would be a cohesive metropolitan area, and, it would likely have common municipal interests in problems and aspirations?

A Yes, I think that would be a fair statement.

Q Would that be reasonable?

A Yes, sir.

Q Well then, that clarifies /in my mind what you mean and I mean by metropolitan area. The people would have urban type interests rather than rural type interests. Now, when Mr. Moffat asked you, and I

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Q (Cont.) forget now how he phrased it, about the industries being more pointed towards the urban rather than the rural. He got off both of you into a discussion about packing plants and you said as I remember you, the packing plants had belonged to the rural areas also, was that the idea?

A No, sir. My answer tried to reflect the fact that if you are going, subdividing industry as between rural and urban, that you might well say that the packing industry is more rural than it is urban, but, I said, I thought that this was a very difficult and unrewarding thing to do because, by and large it's an inner action we talked about, not one or the other.

Q It is economic inner action that you were talking about?

A That is right.

Q What about municipally, never mind the economic, the location of them in that so called metropolitan area that we see from the air. Municipally, which direction are they pointing, towards the urban core or towards the rural, having regard to the services, education, and all those municipal industries?

A Well, I think that you could say that the industry is pointing to the urban area, and be just as correct as if you said the urban area was pointing towards the rural, because, if the rural wasn't here you wouldn't have the urban, I mean, that is the kind of problem I get into thinking about it.

Q I am thinking in pragmatic terms, the industries are there, the ^{municipalities} are where they are and the city is

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Q (Cont.) where it is. Now, having regard to these municipal industries do you agree that it is pointing more towards the urban core than towards the rural. That it is weighted more that direction?

A Well, in one sense the answer to that is yes, but, on the other hand if we are going to be quite pragmatic about it, those industries aren't pointing towards the city basically at all. They are pointing towards the gas fields.

Q That is economic?

A Well --

Q That is economic, we left that out, I am talking municipally?

A Well, from the tax position municipally, I am afraid I don't quite understand when we say municipally as distinct from economic.

Q I thought I was being clear, maybe I am not?

A I am afraid I am just not being very intelligent.

Q Don't let's be accused of fighting, anything like that now because, I would like to get clear in my own mind, maybe you can help me. There are certain industries that relate themselves to municipal corporations. One of them is schools, highways, matters of that kind, do I make myself clear?

A Yes.

Q You don't need to relate them all. Now, these, and when I say pragmatic, the situation is as it is right now. We don't need to be idealistic, or Now theoretic about it. having regard to those municipal industries are these industries pointed more towards

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Q (Cont.) the urban municipalities than the rural, that is my question.

A Well, I think they are pointed more towards the urban on that basis.

Q Yes, that is my question. We have taken an aeroplane ride and used the pointer.

MR. BLACKSTOCK: Dr. Harries, you have indicated to Mr. Garside no matter where you put the boundary in the City of Edmonton, you will have fringe developments on the outside?

A Yes.

MR. BLACKSTOCK: Now, if you have effective planning where the membership is compulsory, and where there are executive powers, won't effective planning stop fringe development?

A Yes, sir, I believe I said not fringe development, I said fringe problems.

MR. BLACKSTOCK: Fringe problems?

A Yes, to the extent you do have effective planning, I think you can stop, not fringe development, but stop what the planners call undesirable fringe development, ribbon development and so forth.

MR. BLACKSTOCK: Yes, and low cost housing?

A That is right.

MR. BLACKSTOCK: Or substandard houses if you know what I meant?

A Yes.

MR. BLACKSTOCK: That is not a problem of planning so much as a problem of where is the money coming from to provide homes for those people who can't provide their own?

A It is, that is the crucial problem in connection with housing.

MR. BLACKSTOCK: Are there any fringe problems in any European cities do you know?

A I am not familiar, sir, with that.

MR. BLACKSTOCK: That is all.

MR. ROBISON: There are for example Dr. Harries, say in Stockholm, Copenhagen, they are, in Germany, and I understand some extent in Britain. Their planning is very rigid, I don't think our people would accept it. You come to the edge of the city, and, that is the edge of the city?

A Well, I think because, we are at developing area you have a different outlook on that kind of thing. We still haven't got away from the idea, and I am not criticizing it, but, we haven't got away from the idea of free enterprise, it means you can hook your horse to a wagon and stop wherever you want, and set up housekeeping, that sort of idea.

THE CHAIRMAN: Mr. Davies?

MR. DAVIES EXAMINES THE WITNESS:

Q Dr. Harries, you mentioned earlier in your evidence about the possibility of the area from 75th Street to 50th Street going into the city, apparently without opposition. I have forgotten, is that your own opinion, or was that authorized by the council?

A No, that was my own opinion, I believe that the meetings that the council have held indicated that area doesn't want to come into the city, but, that

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A (Cont.) is for Mr., the Reeve. But, my own opinion personal is that could well come into the city because, it provides a natural break between industry and the residential area, and I look for suburban development away out on the other side of it.

Q But, how far south would you let that go, clean through to the south boundary?

A No, sir, there are two lines of railway there, which includes some, which border some nice industrial site. I would think that in order to preserve some of Edmonton. opportunity for industry in the city / I think those industrial sites should be taken in at the same time so, you would be taking in some residential and taking in some nice industrial sites, and just round it down to the bottom there.

Q Supposing that happened then, the east boundary of the city was cut off at 50th Street, you call that the corridor, I presume now, your evidence is that that would be in terms of fixing a permanent eastern boundary for the city, beyond which you wouldn't anticipate that subsequent annexations would come into question?

A That is right.

Q Even five, or ten, or fifteen, or twenty years from now, is that right?

A That is right, given the right kind of planning I don't think there would be any necessity for it at all.

Q Well, I will tell you what's bothering me right now, is this. The hearings seemed to assume a certain

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Q (Cont.) degree of controversy between the M.D. of Strathcona, and the City of Edmonton, as to who was to get the industrial assessment, that in its pith and substance is what I feel a lot of this talk is all about. If the industrial assessment were not involved I don't think the Strathcona council would be here, and I doubt if there would be a Royal Commission, but, however, that is only my own opinion. Now, I am wondering what you would have to say about this. If you look at this question today, of one it seems to be who is to get this industrial assessment, but, if the real question, looking at it say for three, or five, or eight years, maybe I am going too far. Is it just this, is it desirable that two cities should grow up along side each other. I wonder if that's a long term question this Commission has to deal with?

A Well, I don't believe it is sir, because, if you take 50th Street say as the boundary. You have got these industrial plants which are extensive users of land, country and then out beyond them you have got which can provide suburban type development, and, should in my opinion provide that suburban type development, and I don't think that we should be, I think the fringe development, urban fringe development should definitely be discouraged. And, I think if there hadn't been such a great deal of stress placed on the disadvantages to Edmonton of having the industries out in Strathcona you never would have been faced with, the problem of Campbellton would have never come up.

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Q Well, for example here we have an exhibit filed by the Edmonton District Planning Commission, a population study?

A Yes.

Q And I think you will agree with me that that study shows, that given the opportunity for the kind of housing that they want that workers tend over a term of years to house themselves within a reasonable distance of where they work?

A That is right.

Q Do you agree with that proposition?

A I do, sir.

Q And, one study of a certain part of the City of Edmonton if I remember rightly, 54% of the workers live within a mile and a quarter of where they were working, do you remember that study?

A No, not specifically, I remember the figures.

Q But, you are not surprised at that figure I am giving are you?

A No, sir.

Q Now, you have indicated you expect there will be further development in the area. Would you go a step further and say, if this ^{industrial} development continues to the east of Edmonton, it is going to result in ^{being} the population generated there, people are naturally going to move in that direction, arising out of their work in the area?

A That is right, the people who work in the area will have a tendency to shift towards the industries.

Q So, there is going to be a population generated in the

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Q (Cont.) area?

A Oh, yes.

Q And, as more plants come in there will be more population generated in the area, and that population will be out of the City of Edmonton, is that right?

A Yes --

Q If the boundaries ^{were} cut off?

development

A Yes, if this idea of suburban^{is} correct, yes.

Q Now then, isn't it true municipally, elsewhere, ultimately when the population generates to a certain figure, there is a clamor for self-government arises in the area?

A Yes, we have agreed on that.

Q Well then, doesn't that, doesn't that bring us down then to earth possibly on this, and bring us right faced with the question of whether or not it is desirable that two cities should be, should be permitted to rise in this area with one completely contiguous boundary. Don't you think that is a problem this Commission has to face?

A Looking a long long way into the future, that may well be the problem.

Q Now, you haven't represented yourself as a planner, Dr. Harries?

A No, sir, I haven't.

Q But, you have indicated when you agreed with the planners, and when you didn't?

A That is right.

Q Do you feel that is a matter of pretty vital interest to a large city like Edmonton of what development is

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Q (Cont.) permitted to take place, say, within two miles of its boundaries?

A Oh, yes.

Q What about four miles?

A Well, I think I will go further than that, I think it is important to them what develops within 25 miles. This L if industry was six miles out instead of three miles out there would be an entirely different problem. In today's transportation environment ^{me,} that doesn't make very much sense to ^{without,} just as an economist, not as a planner. I would say 25 miles, rather than two miles or four miles.

Q Well, you know now there is a provision in the subdivision regulations. If there is going to be a subdivision within the two miles of the city boundary, that the City Planning Department has to receive notice of it?

A M-hm.

Q And, they have the right to make their comments on that particular subdivision that is intended?

A Yes.

Q Now, that only deals with subdivisions?

A M-hm.

Q The other phase is the question of use, or occupancy, that is right, isn't it?

A That is right.

Q That is a different thing, now, the question of use or occupancy would come up on an existing, on a title that has already been in existence, or may have been in existence for 20 years, that is right, isn't it?

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A Yes.

Q But, the question of subdivision only comes up when there is going to be a further subdivision under an existing title?

A That is right.

Q Do you agree that the question of use and occupancy beyond the boundaries of the city is perhaps/just as much important to the city as the question of the subdivision of the title itself?

A That is correct, I do. I would like to say this just in connection with the, sort of the city's interest in the surrounding countryside. It seems to me/a healthy interest publicly expressed in the surrounding countryside is a good thing, and it can be beneficial to both the country and the city. But, where you get into difficulties as I see it, where there, sort of devious ways are taken to express your desires, the city desires in a rural development, or in the rural use of land. That is the thing I think creates more difficulty than having it come right out publicly in something like the Edmonton District Planning Commission.

Q That is all, sir, thank you.

THE CHAIRMAN: Mr. Hayes, have you some questions.

Mr. Hayes, you will note it is five minutes to three, would you prefer to go ahead now or later?

MR. HAYES: No, I just have one question.

THE CHAIRMAN: Mr. Ford, is that all right?

THE REPORTER: That is all right.

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MR. HAYES: I was wondering about this, do you know of any subdivisions that were applied for and turned down in we will say, west of Jasper Place?

A No, sir, I don't.

MR. HAYES: Do you know of any subdivisions that were applied for anywhere in the Edmonton district and were turned down?

A No, I don't, sir.

MR. ROBISON: I think probably Mr. Moyer might be able to help you on that?

A I was told by Mr. Moyer that the Municipal District of Strathcona has turned down two or three hundred subdivisions.

MR. HAYES: Applications for subdivisions?

A Applications, because they felt they were not necessary.

MR. HAYES: Where would we get the information from as to applications to be made in other directions, in other words, other fields in Edmonton other than the Strathcona, can we get that from the planning authority?

A From the secretary of the Municipal District I would think sir.

MR. HAYES: May I request that information?

MR. MOFFAT: I was going to say this Mr. Hayes, as you know the Provincial Planning people refer to the city any applications within two miles in the Municipal District not in the Planning Commission, which means Sturgeon, and Strathcona, which means approximately three quarters of the way around the

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MR. MOFFAT: (Cont.) city. Now, do you remember the evidence of Mr. Dant, there were ten or twelve in the Strathcona area, and none has been suggested in the Sturgeon area in that period, that gives some indication.

MR. HAYES: I am rather alarmed at this figure given there, couple of hundred, two to three hundred?

A Yes, sir.

MR. HAYES: That is an alarming figure to me, what about these people who the municipality turned down as it were, do they have a right of appeal?

A Commissioner Hayes, I am afraid you are getting me, I can't answer those directly, and, it is Mr. Brownlee's intention to call a witness who could answer them, who is familiar with the planning.

MR. BROWNLEE: I intend to have Mr. Moyer Mr. Chairman answer any questions.

MR. HAYES: That is fine, ~~he~~ will be able to answer the same question. I have no more questions --

THE CHAIRMAN: Dr. Mayo?

DR. MAYO: I only have one sir, I think I can finish in the next two or three minutes.

THE CHAIRMAN: Yes.

DR. MAYO: This is not concerned with your Strathcona case, Dr. Harries, but with the question of taxation of industries. You made reference this morning to this subject, and you agreed I think that a uniform tax rate upon industry throughout the province was undesirable?

A That was my opinion sir, yes.

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DR. MAYO: You said that if it was thought necessary to encourage industry, perhaps a method of fixed assessment for a period of five years would be preferable, that is right, isn't it?

A Yes, I suggest the Act that is now in force --

DR. MAYO: Yes, the Industrial Assessment Act?

A Yes.

DR. MAYO: I just want to get it straight on the record, are you, are you recommending as an industrial advisor that the Province should make more use of that Act, and should deliberately offer fixed assessments for a period of five years, or rather, permit municipalities to make a fixed assessment for five years, in order to encourage industry?

A I believe, yes, that they should, they should make more use of the Act.

DR. MAYO: In other words you are saying I suppose, we need to industrialize Alberta at a faster rate than is going on now?

A That is right. I believe an inducement like that might be responsible for bringing in some industry which heretofore have not come in, I think it would be desirable, although, I say that realizing the really grave difficulties that you get into with giving any tax concessions, but, if it was under the administration of the province I think it might be --

DR. MAYO: You would agree I take it that safeguard ^{it is} would be most essential in the Act now?

A Oh, yes.

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DR. MAYO: It must be done with the approval of the Minister?

A You couldn't possibly leave it to the municipality, you would just get chaotic competition.

THE CHAIRMAN: Now, are there other questions on the part of anybody, members of the Commission or anybody else to be addressed to Dr. Harries?

MR. ROBISON: I have a lot of questions Mr. Chairman arising from this brief and other material, and I am not clear as to Mr. Brownlee's intentions, whether to direct some of them to Dr. Harries or wait for the Reeve. Is it your intention to put the Reeve in?

MR. BROWNLEE: It is my intention to put the Reeve in for cross-examination, when Dr. Harries was dealt with.

MR. ROBISON: Well, would it be preferable in your opinion Mr. Brownlee, to ask specific questions arising from this brief itself to ask of Dr. Harries?

MR. BROWNLEE: I would suggest to the Reeve sir.

MR. ROBISON: I am referring for example to a matter to me on page 44, it seems to be a matter of policy where the district prefers to make no recommendation with respect etc. Now, I don't know whether to question Dr. Harries about the matter there and the one below or not, or whether it should be the Reeve?

MR. BROWNLEE: I think it should be the Reeve.

MR. ROBISON: Well then, I will save these questions for the Reeve.

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THE CHAIRMAN: Well, after the adjournment, after our return at 3:12, Mr. Adamson, Dr. Harries will be excused, and Mr. Adamson will be called, is that it pretty well?

MR. BROWNLEE: Yes, Mr. Chairman.

THE CHAIRMAN: Very well.

(At this point the Commission adjourned until 3:12 p.m. and reconvened.)

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MR. BROWNLEE: Mr. Chairman, I have just handed Mr. McGruther a, copies of some information compiled at the request, originally, of Mr. Commissioner Davies. Now, it is in connection with the assessment information of certain specified parcels that, that the Reeve had referred to. I have more copies for my friends but unfortunately there was a misunderstanding as to the delivery of them to me this afternoon. I presume we had better give them an exhibit number.

THE CHAIRMAN: Yes, the number will be number 196E

MR. BROWNLEE: And I think the heading, sir, might be Sample Farm Assessment.

THE CHAIRMAN: Sample?

MR. BROWNLEE: Yes.

SAMPLE FARM ASSESSMENT, AS
PRODUCED, MARKED EXHIBIT 196E
AND PUT IN.

MR. BROWNLEE: Mr. Adamson, you have already been sworn, would you please answer questions.

MR. A.M. ADAMSON recalled to the stand on his former oath, examined by Mr. Moffat, testified as follows:

THE CHAIRMAN: No direct examination at the moment?

MR. BROWNLEE: No, Mr. Chairman.

THE CHAIRMAN: No, all right.

Q MR. MOFFAT: Mr. Chairman, I didn't intend to be very long with Mr. Adamson but in a discussion with Mr. Garside, during the adjournment, however, I have extended that so I will be longer than I had originally intended to be. The first question I wanted to ask you, Mr. Adamson, you have been a Reeve or councillor of this municipality for how long?

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A Nine years.

Q Nine years. You have been active in other community affairs though for forty years, would you say?

A Well, you are making an old man out of me now, I have been for a considerable time, yes.

Q For a very considerable time in all aspects of community affairs, though. He is a bit modest but I think everyone is familiar that he has been in a good many of these things. You were there at the time when the old municipal district of, or the old municipality of Strathcona became part of the larger municipal district, is that true?

A I wasn't a member of the council at that time, I know I was living in the area --

Q But you were involved in the discussions at that time.

A Only, I think as a ratepayer,
I was, yes.

Q Can you tell us, about how long ago was that?

A 1943, I will just check, 1943.

Q Approximately 10 or 12 years ago in any case. Was the idea popular at that time or was it opposed or was it more or less mutual?

A Oh, I think it was more or less accepted.

Q There was no real opposition to it?

A There were some, yes.

Q Would you say it has worked out pretty well and everybody has been fairly well satisfied with it?

A Well, I will just say we are just getting into, through the transition period now.

Q It has taken you, you would say then, about ten years to

Q (Cont.) get the administration worked out and settled down to where people stopped thinking of themselves as a separate unit, is that it?

A Well, yes it took quite a time to get that through their minds.

MR. BROWNLEE: Mr. Moffat, that date was January the 1st, 1943.

MR. MOFFAT: Thanks. Now, taking the municipal district as a whole it is one of the good agricultural areas in the province?

A Well, considerable of the, a fair portion of it is about the best in the province, I don't think there is any doubt in that.

Q On the average would you say that the assessment per acre on the land is higher than the average for other rural municipalities over the province?

A I didn't go into that field just to give you a comparison.

Q You would say, though, that on the average it is much better than the average of other municipalities?

A Oh, there is some would be comparable, I think quite a number comparable to us in the province.

Q You think it might be about equal to average then?

A Yes.

Q Now, if I could refer you to some of your discussions, it wasn't actually in the brief, it was in the discussions after you put the brief in, in connection with this area east of 75 Street, between 75 and 50 Streets, I believe you said that the Golden people had been interested in a development project in there and that you had asked them to withhold their development until the area west of 75 Street, in the City, was built up?

A That is right.

Q That is correct. Do you agree now that the area within the City is built up and it might be logical to start development in there?

A Well, unless I am a poor judge of acreage I can't agree with the City figures on the acreage that they have at their disposal at the present time. I will say this, that the area you speak of is not there by accident, as it is today, it is there by design.

Q By whose design?

A Ours, it was our intention to keep it free, we didn't intend to build it up.

Q You say you don't intend to built up now or was that a decision in the past that you are about at a stage of change?

A We were anticipating the future.

Q Pardon?

A We were anticipating the future.

Q What was the intention to use this area for, then?

A Oh, I think I will say very sincerely it is urban housing.

Q Urban housing?

A Yes.

Q And would you think we are getting close to the stage now when you would start developing it?

A You would say that we start developing it, we have never given any serious thought to developing it in the immediate future because we think our development is going future east.

Q You think that it should be held back at this stage and that development would be further east and the area you are thinking of, I take it, is the Campbellton area, is that correct?

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A Not altogether Campbellton, there are other areas that can be developed.

Q Such as which?

A Well, you can go north and east on Highway 16.

Q Well, some on Highway 16 and where else?

A Yes, or to the south, Bretona area.

Q Which area?

A The Bretona area.

Q Which is that?

A South of Salisbury four miles.

Q South --

A It is on the C.N.R.

Q On Highway 14 after it turns the Salisbury corner then 4 miles south on there?

A Salisbury corner, Bretona was, a large reservoir of water there at Bretona.

Q And how many people would you say might go into that area?

A Well, I am too conscious of what the ^{apostle} Paul said to the Corinthians.

Q What was that?

A I don't have the gift of prophesy.

MR. ROBISON: That is right, I want Commissioner Blackstock to get that, he said that he wouldn't go beyond what St. Paul said to the Corinthians.

Q MR. MOFFAT: Well, could you see that as an area that might build up to an city of 20 thousand or do you see it as something that might be a thousand or two thousand.

A Well, you are, specifically Bretona?

Q Yes.

A No, I don't see where they get all those figures.

Q You think it would be fairly small in terms of maybe a few hundred people, then?

A Oh, could develop more than a hundred.

Q Now, I, my note again on your discussion after the brief went in. You laid --

A Excuse me a moment, Mr. Moffat, are you referring to the discussions I had with you in private in cross-examining --

Q No, the discussions you had here, the discussions which you had here when Mr. Brownlee asked you questions at the end of your brief?

A Oh, yes, that is fine.

Q You laid stress on the fact that it was undesirable that industrial assessment should be removed and my note says, because of the trouble they have gone to in developing the subdivisions. Now, the subdivisions you are talking about are those the ones that Mr. Hawkins described to us yesterday or are you thinking further afield in terms of new subdivisions which might be developed in addition to those?

A There are many of those subdivisions other than new ones which are in name only.

Q Yes?

A I was referring to the ones further out, as I said, we were going in for suburban, urban, not urban but suburban development further east.

Q Yes, that would be the Bailey project?

A Yes, I suppose --

Q Along that direction?

A Yes.

Q And this one you are talking about now, I didn't get the name but south from Salisbury corner?

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A Yes, there have been some, we have put the brakes on the one at Bretona, it isn't, it has been up for a year, a year or more and we refused to let it go ahead.

Q Now, if the decision of the Board, or of the Commission, is to recommend that something along the line of the City proposal is to come into effect would you agree with the suggestion that Mr. Harries made this morning, does the council concur in that? Namely, that if the industrial area is taken then the City should also take responsibility for an area out beyond the present proposal to govern the subdivision areas and the area to the south where the road problem in connection with gravel pits is serious, or do you take a different position on that point?

A Well, if you are going to take the gravy you are just as well to take the bones.

Q So that I take it, then, you concur in the general idea that you would oppose this particular proposal in any case, it should be either more or less than this but ^{not} this particular proposal, is that it?

A Yes, but the same time that wouldn't lighten out burden on the roads, we would have to have an iron curtain to prevent City trucks from hauling sand and gravel from our area unless some reimbursement is made on the upkeep of our roads.

Q Would you like something more than what you are getting now in the way of provincial road construction grants, is that the suggestion? Or, do you consider that the provincial road construction grants are not a sufficient contribution towards the cost of these roads where they are serving people outside your area?

A Those are grant roads, these are not grant roads.

Q Well, then, the suggestion is that you should have grant roads to a larger extent and there should be more provincial grants on those grant roads, is that it?

A Well, I think if we all get what everybody is asking the government to supply the government will be broke.

Q Now, related to that is the question of, what some people have called the ring road, a road along the south and east side of the City and continuing around to the north side so that some of this heavy traffic could get from one section to the other without having to go downtown. Has your council done anything towards the development of that kind of project?

A I don't know whether you would call it a ring road, it certainly rings the City. We have completed a road coming on 50 Street to 50 Avenue to 75 -- I am talking about engineered roads now.

Q Well, yes --

A And then we come north to 75 and we will strike 14 --

Q North on 75 till you hit 14.

A Strike what is 14, commonly called 76 at that point, 76 Avenue and then you go east on 14 and north to the refinery area or you can continue straight on to the Salisbury corner and north to 15.

Q I am not sure whether the Commission follows just what the location of that road is?

A Mr. Robison --

Q I can follow from Mr. Adamson because he and I have travelled through the area together, I don't know whether the Commission follows?

A Do you wish me to explain it. The city limits on the

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A (Cont.) south side is 50th, 51st Avenue just before you come into the City you go east on that, it is gravelled, a built road, two miles, it is the Indian reserve line and then you go north, these are engineered roads on there, to 76 Avenue, on 75th and then 75th, 76th is the, 14, you go east on 14 and you can take any road then between there and Salisbury to go north to your industrial area, which is four miles from that point, that is engineered roads that we have and there are, they use other roads coming in at the CKUA station and on the, what we call the township line and they can take any road north, depending on the weather.

MR. ROBISON: What do you mean by engineered roads?

A Previous, up until a year or so ago we were our road foreman ourselves, the councillors did the planning for the road and we have now a public works engineer, a highway engineer of our own but on 75 we had hired an engineer, at \$500.00 a mile, to engineer the roads for us, that was before we had our own, that is the type of road we are putting in now under our own engineer's supervision, lay out drainage and so on and so forth.

Q MR. MOFFAT: Those roads are paid for entirely from your own funds or do you get some provincial grants on those?

A Some of them under a grant and also the balance of the grants, so much of the grant roads and what is left over can be applied to any road in the municipality.

Q And there are, none of those roads were, were they provincial highways and paid for by the province, those were all your own in the municipality?

A Those were municipal roads.

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Q Do you --

A These roads are more costly than the other type of road that we were --

Q Do you agree that there are going to have to be more and more of those kind of roads in that area?

A Undoubtedly.

Q And, do you agree that the traffic which uses them is not just Strathcona traffic which is directed to the refinery area?

A These are access roads for the refinery area, delivery to the southern parts of the City to Highway 2.

Q And are they also access roads into the City itself, to any extent?

A The one purely, of course, 16 and 14 comes into the City. The City planners closed one that we, one of our roads coming into the City that is known as 92 and we got no notification of it whatever from the Planning Commission that 92nd was being closed, that was between 14 and 16 which had been built across --

Q That was closed by the City?

A By the City.

Q For what reason?

A What is commonly known as Dant's Inferno, a circular, one of these circular roads.

Q It was one of the --

A An extension line to Idylwylde.

Q One of the community developed schemes?

A The point I wish to make we weren't notified of the closing of the road or asked an opinion.

Q Was that question discussed at all in the District Planning Commission?

A Well, no, it wasn't even discussed in the District Planning Commission.

Q Was that a road that was used fairly extensively or was most of the traffic on Highway 16 and Highway 14.

A If you go back to the years that you may -- it used to be the main road for milk being delivered to the old E.C.D. plant, some of you might recall the E.C.D. plant on the Low Level Bridge years ago. 75% of the milk coming into Edmonton travelled over that road and it was the in road. 92 Avenue is the place now, for, into Bonnie Doon from the east without going north and that comes in past Jim Miller's place into Bonnie Doon and that area in there, it is now closed off.

Q How far into the City did that kind of traffic go on 92nd, before they went over to 82nd, or was 92nd open all the way through?

A It didn't go to 82nd, it would be heading for the Dawson or Low Level Bridge.

Q Oh, I see, so that it would have to go north in any case to what is now the --

A Yes, that is not the point, the point is that we have, Strathcona weren't made acquainted with the fact that it was being closed.

Q Well, I take it then you mean that is an example of the kind of thing where there should be better co-ordination between --

A Yes, not one sided.

Q Yes, well, as to the whole question of access roads or ring roads, or whatever you like to call it, then, you take the general position that there should be coordination as between the City and Strathcona.

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A Yes, the point that strikes myself and my colleagues here, is that reference has been made before this Commission to this ring road that we were supposed to be, have blocked. Now, if you can show me a map and that is what we haven't been shown yet, or show us a plan, if there is a plan of this ring road that has never been submitted to us .

Q Well, I was asking you in general terms?

A All this ring road discussion as been here is, that is the only thing we have heard about this ring road, other than general talk. We have no plan from the Edmonton Planning Commission or anyone else where the ring road should go, we hear it vaguely referred to that it is going between the railways.

Q Do you agree that if there is to be, no, put it this way first, do you agree there should be an over all plan for roads, access in that area?

A We have never opposed it but why do we discuss location if it is never submitted to us, for a plan, for occasion to discuss it.

Q Then, you think there should be some organization to work out such a thing in cooperation between yourself and the City?

A We have never denied the fact.

Q What kind of an organization would you suggest might be appropriate for working out that kind of an arrangement?

A We should have the same set up as we have today, an over all District Planning Commission, we have never opposed it, we believe in planning.
ever

Q Have you/suggested to it that they should prepare a plan for that area for the lay out of roads in that, as a joint project?

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A I don't know as we did that because Mr. Dant and Mr. Gertler was the men behind the ring road and we were waiting for a submission for our consideration on any plan that they may have to submit and we haven't received one yet.

MR. ROBISON: Have you asked them? Have you asked them?

A I beg your pardon?

MR. ROBISON: Have you asked or requested --

A Well, our representative was on the Planning Commission for, up until last fall, last October -- August, I beg your pardon, August.

THE CHAIRMAN: Mr. Moffat, I seem to recollect that Mr. Dant said that the over all general plan, if that is the correct expression, was^{not} yet complete but was expected in a matter of two or three months, I think that is correct, is that right?

MR. MOFFAT: I think that was the over all general plan as to the industrial zones and that sort of thing. I don't think it went to this question of the location of roads. It was Mr. Gertler who mentioned the road and then Mr. Dant later mentioned that he understood that a plant had been located which would cut across the planned location of the road and that was referred to again this morning as the Steel Fabricating Plant south of 14, of Number 14 highway.

THE CHAIRMAN: My memory may be at fault and I haven't refreshed it recently but I have been in the same position that the Reeve is, as regards the proposal for this ring road or series of ring roads. If they have, if they, such roads have been put before us nobody has called attention to them specifically or else my memory is completely at fault.

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MR. ROBISON: Well, that is the situation I am in, I have heard, for example, that this new bridge down through, near Windsor Park is part of the ring road system, is that right? Is that part of it?

THE CHAIRMAN: I don't think we know anything about a ring road, any more than they do?

A May I, Mr. Chairman, say --

THE CHAIRMAN: Excuse me.

A There was one other road mentioned, it wasn't in any committee but it was just in conversation with someone I met, Mr. Dant, and that comes out, I think possibly Mr. Garside could give us the avenue either on 96 or 97th and that crosses 75 on a sweep to rejoin 16, beyond what is known as the Braemer school just now but that was only in conversation.

THE CHAIRMAN: Oh, yes.

DR. HARRIES: There is in existence, as far as the City are concerned, a general road map of the proposed, of actual road development within the City and that ties up, a map ties in with this so called ring road, in a very general way. Now, for example, the bridge, the Groat Bridge which was referred to in Windsor Park is the not on ring road, the ring road is, will require another bridge about two miles west and, but, there is a map, I don't know whether it is in evidence but I know that the City has, Mr. Dant has a detailed map of road development and if my friend --

MR. MOFFAT: Page 14 of Exhibit 120.

THE CHAIRMAN: Is that the one --

MR. MOFFAT: Exhibit 120 is a regional plan the second brief

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MR. MOFFAT: (Cont.) and on page 14 of that there is a proposed road marked which goes down between the two railways. Now, I must say that I am in the same position exactly as the Reeve. I haven't been able to find out whether that is just somebody's drawing on paper or whether it was actually approved but I am not asking him exactly in that term, I am asking him whether he agrees that they should have machinery for dealing with the thing regardless of whether --

A We have never denied that fact, Mr. Moffat and I might say with reference to any discussion it was suggested to us that they would go between the C.N.R. and the C.P.R. tracks and I couldn't see the reason for putting it between the tracks and using up all that area that would nullify, if there were transferred industries on either side, there would be railway spurs going across and I couldn't see the feasibility of putting them between the tracks. I, we envisaged no, our own thinking on the ring road, without consultation, was to go immediately south of the present, of the new C.N.R. tracks on the Indian reserve, outside, so that there would be no crisscrossing of the railways on the road and that was our own, my own thoughts on where it should be located.

MR. MOFFAT: There is one other reference here, on page 2088 of Mr. Gertler's evidence:

"In spite of such efforts, however, the over all road system has found that a combination of financial incapacity, insufficient coordination between municipalities, confusion as to financial responsibilities and occasionally due to apparent loss of municipal memory."

MR. MOFFAT: (Cont.) I remember that quotation, Mr.

Garside has just located it here for me. Now, I don't know the background, I don't know what is involved here but what I did want to ask Reeve Adamson was whether he agreed that there had to be some kind of ^{an} administrative organization to sort this kind of a question out regardless of what the policy is. You say there should be some kind of coordination?

A At the risk of repeating myself I said we never denied that.

Q You don't have any particular suggestion as to how it should be done other than through the present type of District Planning Commission?

A Yes, I think the District Planning Commission can handle it if there is a right of appeal to an independent body, such as the public utilities, for all parties concerned and we should have the same say in what the City is going to do to us or the other fellow as well as they have something to say to us as to where they're going and let the arbitrator get out realm of theory if we can go before the Public Utilities Board.

Q Well, let us clarify this again, you are definitely saying now that you, your council would support an arrangement under which the City and surrounding municipalities were all in the District Planning Commission, subject to the right of appeal to the --

A Such a body, I would prefer the Public Utilities Board.

MR. ROBISON: And the District Planning Commission to have executive powers, that is why you would have the right of appeal.

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A It is a nice word executive powers, Mr. Robison.

MR. ROBISON: Mandatory membership and executive powers?

A It is a nice word --

MR. ROBISON: That is what we have heard a lot about.

A -- sometimes I interpret it as dictatorship.

MR. ROBISON: Well, that is why you would have the right of appeal if you didn't like the way they executed --
saw

A As an old soldier that so many die for democracy I don't entertain dictatorship.

MR. ROBISON: Well, let us be clear on this point because it seems to me to be important. Do you agree that the District Planning Commission and any proposed change in its structure, should have the right to say to the council of your municipality and the City of Edmonton you shall do this or you shall not do that and then you, if you don't like it, have the right of appeal and say, we will say, we are not going to abide by this decision we are going to appeal to the Board of Public Utility Commissioners, would you agree with that?

A That is our case.

Q Well, then, that is giving the District Planning Commission executive powers?

A Yes, limited.

Q That is right, limited.

A What they were asking in the first place was no deal.

Q We don't like that do we?

A No, we don't like that.

Q MR. MOFFAT: I don't think anybody likes that.

Are you prepared to be a little bit more specific as to exactly what powers you think such a District Planning

Q (Cont.) Commission should have and what they should not? Would you be, draw some of those lines for us?

A Yes, I don't know its powers but I think it is change of heart and the technical staff in the position of the Board with the whole area, not just that we are all against one area we will refuse these fellows and be damned.

Q Do you suppose that might have something to do with all the poor relatives against one rich relative? You see that kind of thing in families, sometimes too?

A Jealously is the recognition of superiority.

Q That might be so but you don't have any specific suggestion as to exactly what authority such a District Planning Commission should have and what they should not have?

A I think, Mr. Moffat, in answer to that our, I just repeat what I said to Mr. Robison that the present set up in the Planning Commission and all the areas, if all the areas were included with the right of appeal to an independent body such as --

Q With roughly the same powers that they have now?

A That is my recommendation, roughly the same powers that they have at the present time.

MR. DAVIES: Of course, that compulsory membership isn't in the recommendation in the brief, is it?

A I don't think there should be any necessity for any compulsory Mr. Davies, if the right of appeal was there to a public body such as the Public Utility Board.

Q There is something, if I may interrupt, Mr. Moffat that I didn't understand about this Strathcona brief. On the one hand it was opposed to compulsory membership and on the other hand it said that we were in favor of appeal being provided to the Board of Public Utility Commissioners,

Q (Cont.) or whatever new name that Board might have. Now, if your membership isn't mandatory I don't understand then what is the sequence of having an appeal because if your membership isn't mandatory, all right then, you don't like what is done you appeal to the Board of Public Utility Commissioners and then if you don't like what they did then you just withdraw. So, it seems to me, it seems to me that you are just on a blind road, you are right down to deciding whether or not you will have a mandatory membership with suitable protection to a public hearing before an independent Board.

A Well, I think you are quite right, there would have to be a mandatory board set up.

Q Mandatory membership?

A Membership but with the right of appeal.

Q Yes.

MR. ROBISON: Yes.

Q MR. DAVIES: Then, are you down to agreeing to that, your council?

A I don't see any harm, I don't see any harm, I think the council would go along with that provided we have, not us or any of us specifically, not us, any unit have the right of appeal.

MR. ROBISON: That is right, any interested body.

A Yes.

MR. MOFFAT: Mr. Adamson --

MR. ROBISON: Just at that point, Mr. Adamson, looking back a bit, Reeve, presuming, or assuming that you had mandatory membership previously in the District Planning Commission and this situation developed under which Strathcona retired, now, I don't know the facts and I am not particularly interested at this moment but supposing, as

MR. ROBISON: (Cont.) I say that membership had been mandatory and that situation had developed and the right of appeal had been there would that --

A We would still have been in the Commission.

Q You still would have been in the Commission and you would then possibly --

A We would have had an independent body to review their decision.

Q You felt there was nobody to review the position?

A No.

Q So the only thing you could do was --

A To retire and bring it out before the public.

Q Bring it to a head?

A Yes.

Q Fine.

Q MR. MOFFAT: I was going to ask you if you considered and was prepared to give us any comments on the memorandum that was put in by the City with respect to the District Planning Commission, exhibit 78E. Now, it may be --

A I would have to refresh myself on it.

Q If so it is quite all right I just wondered if you had anything specific to say about it?

A I have never really studied it, they have some change --

Q I wondered, you could leave it over till morning and you can look at it tonight?

A I would prefer that.

THE CHAIRMAN: I was just about to suggest that to you.

A I have the rough details in my mind^{but} as to what it was I am not specific.

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THE CHAIRMAN: You can reserve this question.

Q MR. MOFFAT: Oh, yes, that will be quite all right it will give him an opportunity to look at it because I would appreciate whatever he has to say about that particular suggestion because, as we were discussing it when it was presented, it became clear that it wasn't right as it stood and there would have to be some modification in the proposal and anybody else's suggestions should be taken into account when it comes to making a final suggestion on behalf of the City.

With respect to the Co-terminous Boundaries Commission were, was your municipal District consulted with respect to those changes in boundaries or was that something that the government just went ahead and put into affect?

A Well, we may be unique but we did discuss it with the Commission, as set up under Mr. Dick, we spent a whole day with him going over it and it happened to be one of those rare occasions when you meet a government body and there was no conflict, we agreed to their proposals, their proposal was in line with our own thinking.

Q Do you know what the situation was, generally, in other areas? Was it a case where the local people liked it or was it in general opposed by the local people?

A Well, in lots, I am quoting from the press --

Q Yes?

A There have been lots, there have been some opposition in places to this being taken off or that added to or so on and so on in certain places but I think I could say, safely say that the union of the Edmonton Municipal Districts, when we met the last time, the councillors who attend

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A (Cont.) the unions of Municipalities, we meet every three months, ten municipalities around Edmonton, I don't think that there was any serious, serious, one or two isolated cases but nothing serious developed.

THE CHAIRMAN: Perhaps you would like to address a question of that sort to Commissioner Hayes.

A He would have a more general knowledge of the province than I have.

THE CHAIRMAN: I am not suggesting that you do it but if you want information --

MR. MOFFAT: I am just wondering if that is a general invitation to cross-examine the Commission. I would welcome the opportunity.

THE CHAIRMAN: No, it wasn't.

A I would love it.

MR. MOFFAT: Now, with respect to this suggestion that there might be one school division for Strathcona, Beverly and Fort Saskatchewan. Do you think that would be a practical operation?

A One school division encompassing the whole proposed area?

Q No, Strathcona, Beverly and Fort Saskatchewan. In other words the proposal that ^{is} in your own brief?

A I see, I can't see anything wrong with the proposal.

Q Do you see anything in favor of it? Shall we put it that way, do you think it would be the kind of thing that your people would favor or do you think it is something that they would consent very reluctantly to, to have put into effect?

A No, I don't think we would find the people selfish.

Q Have you any suggestion as to the reason why you suggested that that might be a good move?

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A The Beverly people themselves suggested the alternative in their brief, I cannot quote them verbally but they had certain inferences in their submission to the Commission, this or that or something else and that was one of them, down in Clover Bar --

THE CHAIRMAN: Mr. Adamson, all that this would mean, what Mr. Moffat is asking you, is that would be the addition of Beverly to the existing Clover Bar School Division, is that not true?

A Yes, school division, school purposes only.

THE CHAIRMAN: Fort Saskatchewan is there now?

A Yes, Fort Saskatchewan is there now.

Q MR. MOFFAT: Yes, that would involve, it would involve --

A I cannot see any great difficulty in it at all.

MR. BROWNLEE: Excuse me, Mr. Moffat, sir, I wonder, just for clarity, if I might read in the reference that Mr. Adamson was making to the Beverly brief. Exhibit 99E on page 2 where it was stated: "From her exceptionally favorable location Beverly sometimes wonders what amalgamation with the Municipal District of Strathcona or even with the School Division of Clover Bar would bring her this would give Strathcona an excellent residential area right on the doorstep of the industrial development, the lack of which is now her greatest weakness."

Q MR. MOFFAT: Well, then, you think it would be a good idea then from the point of view of school administration, do you?

A I think it would.

Q Do you think it would be a good idea from the point of view of municipal administration to put Beverly in that same area, put the whole thing in, not just the school but take the municipal and everything?

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A Well, to be honest I haven't given enough thought to that angle because it was the school question that was raised.

Q Well, you see their brief was primarily in terms of amalgamation with Strathcona and then they said, or at least schools, but the first request was over the whole thing, at least the first suggestion was the whole thing. Now, you haven't really considered the possibilities of the whole thing?

A No, the only thing that I could say, whether it was one of the aldermen or who he was, while here, thought they would like to have their ^{own} administration.

Q Well, but from your point of view you haven't really seriously considered it?

A No, but we could administer it to --

Q That is a personal opinion, off hand, do you think it might sound sensible?

A I think I would have to give it a little more thought, either way, before I would answer it.

Q Let me ask you this, in general terms, do you think it would sound sensible to suggest that the whole area should be in two cities, one west of say 50 Street or 75 Street and the other east of 50, 75 Street, do you think it would be a good idea to plan this area in terms of a permanent division of that sort?

A You mean you are inferring that Beverly would grow up into a City?

Q That Beverly and Strathcona jointly will grow up into a City, yes.

A Beverly may grow larger than it is at the present time but I cannot see it crossing the river because it is stopped by industry.

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Q Well, but I am asking that, supposing it was likely to happen that way do you think it would be sensible to have a separate city or put it all in as one city?

A Oh, I don't suppose it would, I don't see how it could operate, it won't be any larger than Fort Saskatchewan is.

Q What wouldn't be any larger than Fort Saskatchewan?

A Beverly.

Q No, but I am asking you in terms of Beverly and Strathcona, put in as a unit?

A I can't see any difficulty in trying to carry on the same as Fort Saskatchewan is doing and Leduc is carrying on, Calmar and other places, they joined up for School.

Q In other words you are suggesting then that there wouldn't be, likely be any growth of the city in that area, that there wouldn't be any more people going into that area?

A I didn't say that, I am not going into the realm of prophesy but it is probable they will go but there is lots of undermining in Beverly.

Q Well, what about the Strathcona side? You are saying you don't think that it will grow up into more population?

A No, just what do you say, Strathcona, well, are you inferring Beverly would, were you inferring immediately across the river would grow up into an urban area? I informed you before that the, our development will take us up further east.

Q Well, but supposing it goes further east, supposing you had 20 thousand people up in the Campbellton area and that that area east of 75 and 50 was all in one city.

A Strathcona.

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Q Yes, the City of Strathcona if you like to call it that?

A I don't envisage that.

Q Pardon?

A I don't envisage that as far as Strathcona.

Q In other words you don't think that the Campbellton area is likely to grow up to anything like that size?

A No.

Q Well, let me ask you in general terms, this way. Do you think that it was a sensible arrangement that was made here in the past when the separate areas were brought together or do you think it was a mistake in 1912 to put them together?

A You mean Strathcona and Edmonton? Well, there is quite a few living on the south side wouldn't agree to this date that is a good thing.

Q Well, I am asking you though, I am not conducting a Gallup poll on the south side.

A No, I think that for many years Strathcona was left out, at the wrong end of the deal. It is only within the last year or so that building has grown up that Strathcona has come into its own. We lost a lot of public buildings on the south side that in other ways we would have had.

Q Well, I think then we will end it by just clarifying one point again. You made a lot of emphasis, your whole brief, all the way through, on the fringe areas, the responsibilities which Strathcona was going to have to meet and that therefore they ought to keep the assessment in order to meet those responsibilities. Now, I would like to get clear just how big you think those areas are? You told me a minute ago that the Campbellton site you didn't see it growing anything like 20 thousand.

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A I would be foolish to go out on a limb like that.

Q Well, how big an area, how many people do you think there are likely to be in these areas that are going to be supported out of the industrial assessment?

A You go back in history, back to the time that you referred to me when I came on the stand here. My own quarter section was subdivided and that is a long long ways out so therefore they were visionary in those days and you ask me to be visionary, once bitten twice shy.

Q Well, you see your brief was visionary, your brief was saying you have a very rapidly growing responsibility?

A I can only answer --

Q In order to meet those responsibilities we have to have the industrial assessment, if it is really going to be that then you have a problem but if that is just visionary then you have no problem, in which case the problem is to support the already built up residential areas, not those which are going to come in the future, that is what I want to get clear, how big the fringe problem is?

A If you will agree with me that this is a good brief I will answer you as Julius Caesar answered Marc Anthony.

Q What was that?

A Post scripsi scripsi.

Q Translate that to English.

A What I have written I have written.

Q Thank you very much.

MR. ROBISON: Tempus fugit too.

THE CHAIRMAN: Mr. Brownlee, may I ask now whether you, tomorrow we look forward to something from, some questions

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THE CHAIRMAN: (Cont.) from Mr. Garside?

Yes, well, that is the arrangement we have.

MR. BROWNLEE: That is right, sir.

THE CHAIRMAN: All right, thank you. We adjourn until 9:45 tomorrow morning.

(At this time the Commission is adjourned until 9:45 a.m. the 25th day of February A.D. 1955.)

